

BATTLE FOR VIBORG

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THURSDAY, FEBRUARY 29, 1940

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HONG KONG-BUILT STEAMER'S DRAMATIC RESCUE

SEE
PAGE 9

Systematic Closing Down Of Nazi Factories Ordered

(SPECIAL TO "CHINA MAIL")

MEN IN WANG'S CABINET

Shanghai, To-day.

The new Wang Ching-wei regime will be formally established in Nanking on March 10 and will comprise five yuans and fourteen Ministries, says the "Ta Mei Pao."

The personnel of the Government, says the paper, will consist of the following:

Wang Ching-wei: President of the Executive Yuan;

Liang Hung-chi: President of the Legislative Yuan;

Chen Kung-po: President of the Judicial Yuan;

Wang I-tang: President of the Examination Yuan;

Wen Tsung-yao: President of the Control Yuan;

Liu Yu-fen: Director of the Military Council;

Chen Chun: Minister of the Interior; Jen Yuan-tao: Minister of War; Chow Fu-hai: Minister of Finance; Loh Ting-kuei: Minister of Justice; Chao Hou-sheng: Minister of Education;

Chao Shu-yung: Minister of Commerce and Industry;

Chu Ching-lai: Minister of Communications;

P. S. Lin: Minister of Publicity; Mei Sze-ping: Minister of Railways; Chen Chun-pu: Minister of Overseas Affairs;

Miss Tseng Ching: Minister of Health;

Ting Mo-chun: Minister of Social Affairs;

Wang Man-yun: Minister of Agriculture and Mining.

Wang Ching-wei will be, concurrently, Minister for Foreign Affairs, and Dr. Chu Min-yi, his brother-in-law, will fill the post of Secretary-General of the Executive Yuan.

The reports adds the rumour that Chu Min-yi will shortly be appointed Mayor of Greater Shanghai, and that Ting Mo-chun, Minister of Social Affairs, will be appointed concurrently Mayor of Nanking. — Reuter.

SOVIET TRANSPORTING POLES TO SIBERIA

(SPECIAL TO "CHINA MAIL")

Moscow, To-day.

It is announced that the Soviet Government is proposing to transport 35,000 Poles from Russian-occupied Poland to Siberia for land settlement. — Havas.

Amsterdam, To-day. A SYSTEMATIC CLOSING down of all factories in Germany which are not absolutely essential to the successful prosecution of the war, has been decreed by Field-Marshal Goering, according to neutral reports from Berlin.

Reason for this drastic step is attributed to the effect of the Allied blockade, causing a shortage of raw materials, plus the diversion of what raw materials are available to war needs.

The decree makes provision for the imposition of a tax upon the factories which are to continue working, for the purpose of assisting the factories to be turned into derelicts.

In no case, however, will financial assistance be given beyond what is necessary for the maintenance of machinery and equipment in efficient order so that when they are able to resume it can be done swiftly.

No compensation will be paid for capital losses or depreciation. — Havas.

OTTO STILL IN QUEST OF A CROWN

Lisbon, To-day. Prince Otto von Hapsburg, Pretender to the throne of Austria, has arrived in Lisbon where he will board the Atlantic Clipper for New York tomorrow.

The Prince refused to give the reasons for his trip, which it is believed, is connected with the elaboration of an Austrian "Legitimate" programme. — Havas.

CRISIS IN RELATIONS WITH ITALY

(SPECIAL TO "CHINA MAIL")

London, To-day. The crisis in Anglo-Italian commercial relations is commented on with much aggressiveness in Italy, although British officials are doing their best to prevent British public opinion from taking too serious a view of the situation, and attaching too much importance to the expressions of Italian ill humour. — Havas.

TWO NAZI PLANES SHOT DOWN

Paris, To-day. Two German reconnaissance planes have been shot down in French territory in the last 24 hours. — Reuter.

CAROL VISIT TO ROME DENIED

Bucharest, To-day. Authoritative quarters categorically deny rumours from Berlin according to which King Carol, accompanied by the Foreign Minister, M. Gregor Galenecu, will visit Rome in April. No visit to Rome is contemplated; it is declared. — Havas.

WEATHER FORECAST: — North-East winds, fresh to strong; occasional rain, improving.

U.S. ENTERING MARKET FOR ISLANDS?

Washington, To-day. A resolution is being submitted to Congress by Francis Case (S. Dakota), authorising the President to enter into negotiations for the purchase of islands round the American Continent belonging to European Powers, in connection with the defence of the Panama Canal. — Reuter.

HEAVY GUNFIRE OFF DUTCH COAST

The Hague, To-day. Heavy, gunfire was heard off the Dutch coast at midnight last night. It is believed that a naval action was in progress.

The firing lasted an hour and the flash of exploding shells could be seen from the shore. — Reuter.



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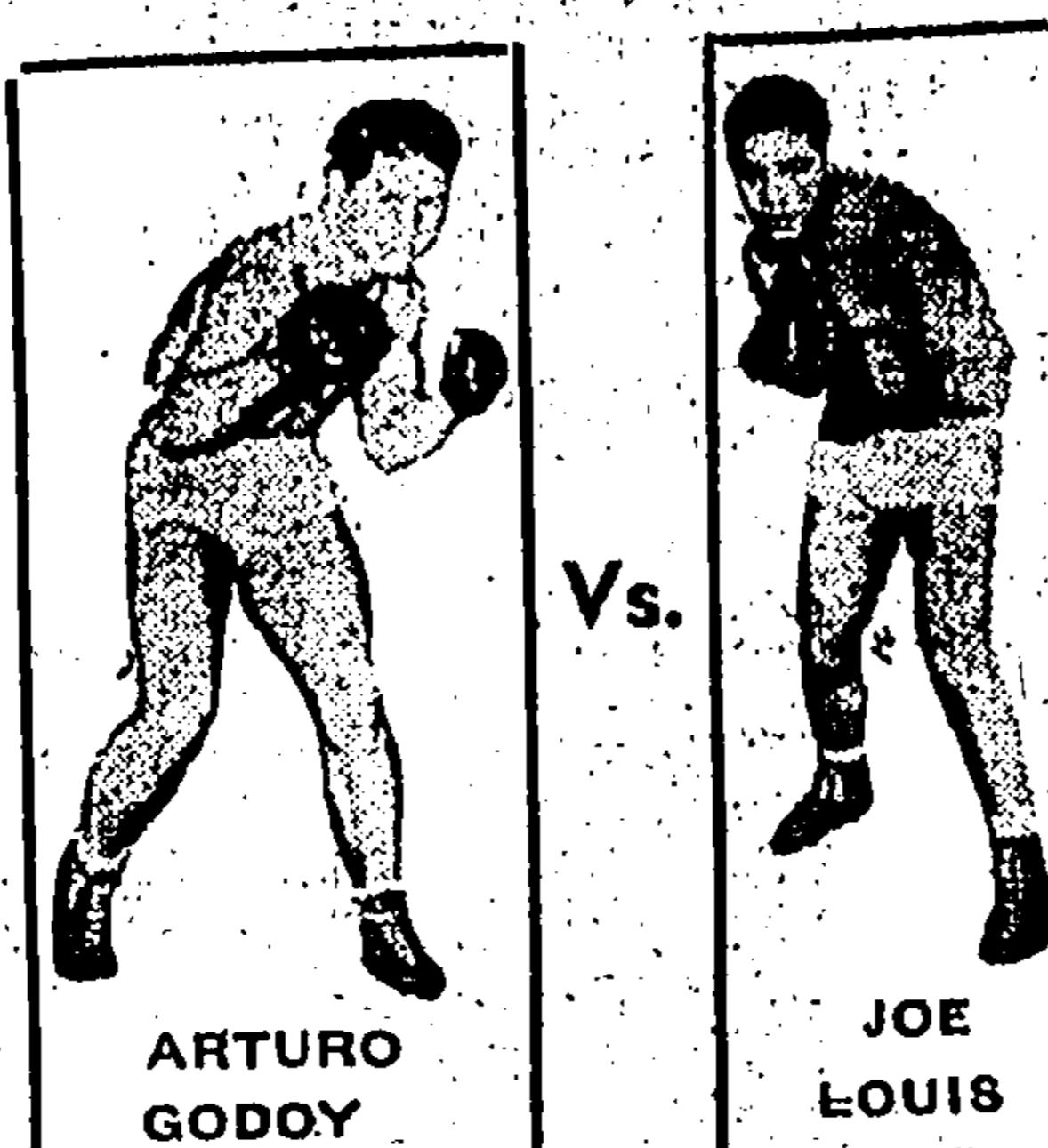
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ANGLO-ITALIAN ECONOMIC RELATIONS AT DELICATE STAGE

Paris, To-day.

THE ROME CORRESPONDENT of "Le Temps" says that economic relations between Britain and Italy have reached a delicate stage, since several weeks of negotiations have failed to produce a mutually satisfactory agreement on outstanding questions.

The correspondent states that the principal obstacle to agreement arises out of the question of Italy's coal supplies, which are now obtained largely from Germany.

Italy offered to exchange agricultural produce for British coal, but Britain prefers the products of Italy's heavy industries.

The correspondent says the difficulties are likely to be aggravated as the result of the intention, indicated by Britain, to apply the export embargo to German coal now reaching Italy by sea.

Hitherto Italy has been given preferential treatment in the Allied blockade of Germany.

The Italian newspaper "Telegrafo" says that if Britain were paid in heavy industry goods, Italian industry would soon find itself under British control.—Reuter.

KAFFIRS RISE

LONDON, TO-DAY.
ON THE STOCK EXCHANGE YES-
TERDAY KAFFIRS MOVED UP
SHARPLY IN THE LATE AFTER-
NOON ON THE ANNOUNCEMENT
OF THE SOUTH AFRICAN GOV-
ERNMENT'S MODIFICATION OF
THE GOLD MINING POLICY.

Home rails were firm on the Southern Railway's dividend of 1 1/4 per cent. on deferred ordinary stock.

Gilt-edged recovered after early indecision; elsewhere prices mainly were steady.

Wall Street was firm.—Reuter.

TURKISH CONTROL OF COAL INDUSTRY

ISTANBUL, To-day.
The Turkish Government has taken
over the entire control of the coal
industry and hopes to increase the
output by 350,000 tons a year.—Reuter.

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JAPANESE DID FOR MONOPOLY EXPORT CONTROL

Osaka, To-day.

THE JAPANESE AUTHORITIES in central China have taken steps to restrict or absolutely prohibit the shipment of certain materials produced in the occupied areas of China to Shanghai or elsewhere outside the occupied zone, on the ground that they are important for military purposes, it is learned by the Municipal Industrial Department here.

This policy is said to aim at securing an adequate supply of Chinese staple materials required by Japan. Materials listed include iron materials of all kinds, copper, brass, tin wares, coal, hemp (ramie), raw cotton, hides, leather, vegetable oils, bristles and tea.

In addition to establishing special firms to buy export to Japan of these products, special treatment in handling such restricted or prohibited articles has been accorded to a number of important Japanese concerns.

Even with such special privileges these concerns are expected to receive a severe setback if the Yangtze is opened to general traffic, says the "Japan Times," as Chinese and Third Power industries and traders in the Yangtze Valley have the advantages of big capital, long tradition and a firm foothold.

SPECIAL CORPORATION

Hence it is being urged that the Japanese concerns should be merged into a strong special corporation with a large capital supplied by the Japanese Government and powerful Japanese interests to exercise control over the various Japanese industrial and commercial establishments in the occupied areas in China to enable them to meet such competition.

In connexion with this plan to monopolise Central China exports, a Sino-Japanese hemp (ramie) corporation is planned. A financing syndicate composed of the principal banks in Japan is being formed to make a loan of 25,000,000 yen to the parent concern, the Central China Development Corporation.

Meanwhile the Toa Kaiun Kaisha (China Navigation Company), a sub-

sidiary Japanese "national policy" company with a capital of 73,000,000 yen, formed in August 1939 by the Japanese Ministry of Communications and ten leading Japanese steamship companies to conduct shipping business between Japan and China along the coast and inland waters, is said to be doing a brisk business with bright prospects for the future.—Reuter.

POINTED VATICAN COMMENT

VATICAN CITY, TO-DAY. THE FACT THAT NO REFERENCE TO SOLIDARITY WITH FINLAND WAS MADE IN THE COMMUNIQUE ISSUED AFTER THE RECENT SCANDINAVIAN CONFERENCE OF FOREIGN MINISTERS IS COMMENTED ON BY THE VATICAN NEWSPAPER "OSSERVATORE ROMANO."

The paper says that the neutrals are not entirely without defence in this war, for Scandinavia supplies essential war materials to the belligerents.

They have, therefore, an economic weapon to impose respect for the lives of their seamen.—Reuter.

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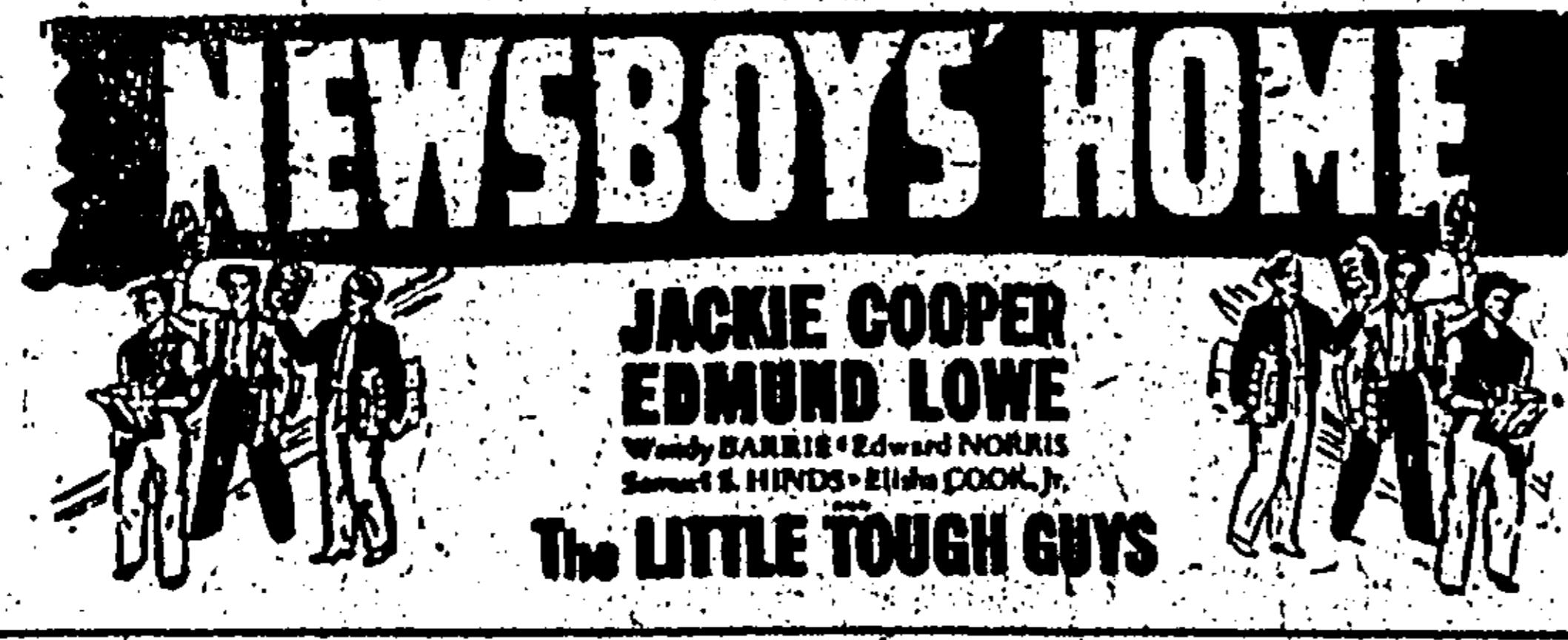
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BATTLE FOR VIBORG

Rages All Day Without Shifting Finn Lines

HUNDREDS OF RED ARMY FIND AN ICY GRAVE

STOCKHOLM, TO-DAY.

A GREAT BATTLE FOR THE DESERTED AND SHELL WRECKED PORT OF VIBORG RAGED ALL YESTERDAY.

While the Finnish artillery was pounding the Russians round the Bay of Viborg, their newly-arrived foreign warplanes have been making intensive bombing raids on the Russian lines. Bombs dropped on the ice hurried tanks, guns and men into the icy waters beneath.

Because of the more easily defended nature of the ground, experts in Helsinki have little doubt that the Finnish forces in Viborg will continue to hold out.

Last night a considerable rise in the temperature gave hopes that bad weather may come to hamper the Soviet onslaught. — Reuter.

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Fresh Soviet Divisions Thrown Into Action

Helsinki, To-day. Fresh Soviet divisions made a terrific attempt to reach Viborg, but the Finns say that they are firmly entrenched in the positions taken up a week ago.

The Finns, too, have brought up reinforcements, some of them being foreign volunteers. Soviet claims to have taken more positions are denied, on the contrary, the Russians have suffered heavy losses.

The loss of the fortresses of Kolvisto does not seem to have made much difference to the Finnish position so far. There are as yet no signs that the fortress, which was dismantled by the Finns before they withdrew, is being used against the Finnish defences.

Soviet bombing on Tuesday decreased somewhat. Hangoe was again the chief object of attack, but so far only one casualty is reported.

Meanwhile, Finnish aeroplanes were busy and are reported to have attacked a Soviet air base and munitions dump far behind the Soviet lines. — Reuter.

First Canadian Volunteers Arrive

Helsinki, To-day. The radio announces that the first Canadian volunteers have arrived in Finland.

Meanwhile, in London, Major Kermit Roosevelt, son of Theodore Roosevelt and a relative of the present President of the United States, has decided to apply for permission to resign his commission in the British Army to lead the international volunteers in Finland. — Reuter.

EIGHTEEN TANKS DESTROYED (SPECIAL TO "CHINA MAIL")

Helsinki, To-day. Eighteen Soviet tanks are reported to have been destroyed on Tuesday in the Karelian Isthmus, where the Russians continued to attack and continued to suffer heavy losses.

A Soviet attack in the Taipali sector was also repulsed. — Hava.

AMERICAN LOAN

Washington, To-day. The House of Representatives yesterday approved the increase in the capital of the Import and Export Bank to enable a non-military loan of U.S. \$20,000,000 to be made to Finland.

Proposals were defeated seeking to authorise a direct Government loan to Finland with no "strings," and seeking to permit expenditure of the loan in the United States in any direction desired by Finland. — Reuter.

GERMAN PRISONERS RECAPTURED

London, To-day. Two German prisoners who escaped from an internment camp in Scotland were recaptured on Tuesday night. — Reuter.

NATIONAL POLITICS IN SHANGHAI?

(SPECIAL TO "CHINA MAIL")

Shanghai, To-day. It is learnt from a reliable source that the German Consulate has approached German firms and rate-payers residing in the Settlement for particulars regarding their status as regards voting for the Municipal Council.

No reason is given but German officials privately hinted that "we may do something in common with the Japanese and Italians in the forthcoming elections." — Hava.

PALESTINE FORCE JOINS B.E.F.

LONDON, TO-DAY. THE FIRST BATCH OF MEN FROM PALESTINE TO FORM PART OF THE BRITISH EXPEDITIONARY FORCE ARRIVED IN A FRENCH PORT YESTERDAY, TELEPHONES REUTER'S CORRESPONDENT WITH THE B.E.F.

They consist of about 700 men, all of them volunteers; 75 per cent. are Jews and the rest Arabs, and they will be attached to the Auxiliary Military Pioneer Corps to work on communications as unskilled labourers. — Reuter.

"A QUIET DAY"

Paris, To-day. Last night's French war communiqué said there was a quiet day. — Reuter.

OFF THE RECORD



"Mother, I want you to meet my wife—I hope you two will like each other!"

Here's Luck

EWO BEER

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WHISKY OUTPUT TO BE REDUCED

London, To-day.

The amount of "whisky and other potable spirits" to be manufactured in Britain this year will be limited to one-third of last year's output. This was announced in the House of Commons yesterday by the Minister of Food.

He explained that the restriction is due to the shortage of cereals and animal feeding stuffs.

The supply of whisky will not be affected for some years to come, because of the present large stocks, and prices will remain unchanged.

As much beer will be brewed as last year, although the amount of sugar must not be over 70 per cent of the normal requirements. Cereals will be available to meet any deficiencies. — Reuter.

SOCIAL PROBLEMS OF THE WAR

London, To-day.

The Prime Minister has set up a committee to consider how best the services of voluntary bodies can be used to deal with social problems that have arisen, or may arise, as a result of the war. — Reuter.

KING'S PHYSICIAN

London, To-day.

Colonel A. C. Munro, of the Indian Medical Service, has been appointed Honorary Physician to the King. — Reuter.

EXPEDITION INTO GERMANY—NO. 4

The Uncensored Truth

You Would Be Cold In No-Coal Berlin

—A SHIVERING CITY OF SHUTTERED SHOPS

(By A NEUTRAL OBSERVER)

A SHARP EAST WIND cut across Berlin's Potsdamerplatz and whirled up eddies of icy powdered snow in my face so that it hurt.

The policeman in the green-black traffic signal tower slapped himself and stamped to keep warm. The fat old newspaper women hide in the doorway away from the cold. A yellow tramcar clanked across the rails, its windows covered in ice.

And that was the only traffic, pedestrian or vehicular, to be seen in the famous square that noon. Before the war it was one of the busiest cross-roads in Europe.

Talk about Strength through Joy. This was so bleak it was sheer pernicious anaemia. There was none of the usual flags flying. The shop windows, such as were not shuttered, were drab and depressing.

Heftier, the butcher's and delicatessen shop, which used to have a most cheerful display of succulent sausages, raw red hams and fatty smoked goose, had a lot of bottles of German champagne in its windows (mostly Henkell Trocken, no doubt in deference to Foreign Minister Ribbentrop, who used to travel for it), some twigs of Christmas tree, and, oh horror! cardboard imitation sausages and hams.

The central point of display was a pyramid of boxes containing a proudly described as "Artificial meat extract . . . unrationed."

Use of the word ersatz, by the way, which would have described it more exactly, is verboten, on account of its associations.

The shirt shop down the Potsdamerstrasse, which used to call itself "London Style," had changed its name patriotically to "Deutsche Mode" (German Fashion) and had then closed.

The turnover from supplying a clientele permitted only 100 ration coupons' worth of clothes a year (with a suit costing sixty coupons, a handkerchief five, socks ten, not to mention shoes at forty)—well, it just didn't justify the rent and taxes.

So all that remains now of the shirt shop is the shop sign and an elegant photograph showing the supreme leader of Germany and German fashion himself, in an artistically soft velour hat and a very he-man trench coat, with collar turned up.

All the main shopping streets I found full of closed shops. The Tauentzienstrasse, the Kurfuerstendamm, in the west, Altmoabit and the Hermannstrasse, in the working-class quarters of the north and south. Wherever I went, in fact.

What had happened was that the population, seized by an inflation panic, had tried to convert their marks into goods.

You have heard about that from Herr Funk, the German Minister of Economics. They started buying up everything there was to be had in the shops.

They even bought cars without tyres. They have laid the cars up in garages, in the expectation of being able to use them or sell them in the peace.

Carpets, pictures, furniture, pianos—all went in one roaring burst of trade.

Shops, faced with this sum, found themselves unable to re-stock. They had to close. The son all Jews getting financial aid of shop assistants, however, have this kind from abroad and then offer

not gone on the dole. With characteristic Nazi administrative thoroughness they have been turned over to other jobs, less congenial, but where they are usefully employed in helping Germany's war effort.

Many of them are going to be put on the land to help farmers grow more food.

Farmers who have not enough labourers at their disposal have been specially asked to send in applications giving their requirements to the local labour exchanges.

Another factor which produced the buying rage in the German public were the reports, I believe



POTSDAMERPLATZ, BERLIN.
"The shop windows, such as were not shuttered, were drab and depressing."

well-founded, of an imminent levy on capital, both great and small.

Hidden larder of tinned food

This capital levy talk, I found, was causing particular apprehension among some Jewish friends of mine who, despite all the tribulations heaped on their race, have managed to go on living in Berlin, and have even hidden away a large larder of tinned food and Prague ham.

They told me that, like many other Jews living in Germany, they had money secretly salted away abroad, some of which was on the pretence that it came from relatives willing to support them.

The Germans were so anxious to get hold of foreign exchange that they even gave a specially favourable rate of exchange, known as unterstuetzung mark (subsidy mark). 100 Swiss francs buying 90 German marks, instead of the official rate of 56 marks.

What the Jews are afraid of is that the Government, in their drive for foreign currency, may decide to imprison shop assistants, however, have this kind from abroad and then offer

ANOTHER ARTICLE

In this series by the distinguished neutral observer sent on a special Expedition into Germany a month ago, will appear in the "China Mail" **ON MONDAY**

ing through a very bad time indeed.

In another town, I visited the wife and small son of a Jew who is now in London. His wife is non-Jewish and he had asked me to give her a message, telling her that if any pressure were put on her to divorce him she was to do so, without hesitation, for sake of the child.

I have good news for my Jewish friend. So far his wife has not been submitted to any kind of discrimination. Nothing has been said about compulsory divorce.

Their son, who used to go to a Roman Catholic school, has been sent to a State school, as the Roman Catholic school, like all others of its kind, has been closed.

Only once was the wife questioned. That was by an A.R.P. warden, who had discovered a crack of light coming from one of her windows and suggested that she was trying to signal British raiders.

She gave him as good as he deserved, and never had any more trouble. She was even receiving parcels of food and clothing from relatives abroad. No one made an attempt to deprive her of them.

There was no discrimination against them in the shops, they said, and they were given the same amount of ration coupons as Germans of full Aryan privilege.

They thought that this was possibly because the Nazis now had their bands full with the war and had less time to devote to Jew-baiting.

Perhaps, too, the Jew-baiters were able to work off most of their spleen on the Jews in Poland, who are go-

ing through a very bad time indeed.

You see, canals and rivers are frozen over. And this has made it impossible for barges to bring supplies.

The railways, on the other hand, are overburdened, while road transport by lorry is out of the question because of the lack of petrol.

When coal does arrive at the goods stations there are neither vehicles nor men available to transport it. The result is that many of the big blocks of flats in Berlin are without heating and hot water.

Electric stoves are unobtainable. They were sold out within a few days of the shortage first becoming manifest.

So all the people can do is to go to restaurants, hotels and station waiting rooms to keep warm, and go to bed early at night.

(Continued on Page 16)

THE WONDER WATCH OF THE AGE

The Rolex Oyster "PERPETUAL"

WITH SELF-WINDING CHRONOMETER MOVEMENT

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Waterproof, Perspiration Proof
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Opposite

Dr. ("Buble") Goebbels Rants And Threatens "Gott Strafe England"

SIGNIFICANT PRELUDE TO VISIT OF MR. WELLES

Berlin, To-day.

ADDRESSING A MEETING at Muenster yesterday, the Propaganda Minister, Dr. Joseph Goebbels, declared the German nation was now united for the first time in history.

"The very existence of a united German nation has been regarded as a challenge by the plutocratic powers of the West," Dr. Goebbels declared.

"The German nation is well aware that the present war is a war of life or death.

"Escapes are not possible yet. We know our own means very well but we also know our opponents' means. . . . we don't care if our opponents base their judgment of Germany on the opinion of Jewish refugees nor if they make mad war aims with a view to the utter destruction of the German nation.

SHANGHAI POLICING PROBLEM

LONDON, To-day.

MR. R. A. BUTLER, UNDER-SECRETARY FOR FOREIGN AFFAIRS, ANNOUNCED IN THE HOUSE OF COMMONS YESTERDAY THAT FOLLOWING THE SIGNING OF A MODUS VIVENDI FOR POLICING THE OUTSIDE ROADS IN SHANGHAI, THE JAPANESE CONSUL-GENERAL HAD ISSUED A COMMUNIQUE DECLARING THE JAPANESE AUTHORITIES WERE READY TO RESUME NEGOTIATIONS AS REGARDS THE POLICING OF HONGKEW AND OTHER AREAS NORTH OF SOOCHOW CREEK.

Mr. Butler continued: "Conversations are, in fact, to be resumed between the two parties and it is hoped these negotiations will lead to a settlement of the other questions at issue concerning the Council's jurisdiction in these areas.

Latest reports indicate that the crime situation is still very bad in the western extra-settlement district, but the Japanese authorities have expressed the intention of doing away with a number of gambling-houses and dens of vice, to which the disorderly conditions in this district are chiefly due."

APPRECIATION EXPRESSED

Sir J. S. Wardlaw-Milne (Cons. Kidderminster) asked: "Will Mr. Butler express the appreciation of this country to the Japanese for the definite action contemplated and press them, if possible, to get on with the work?"

Mr. Butler: "I will see that an expression of appreciation is passed forward and the work pressed on as he desires." — Reuter.

TURKISH SHIP ORDER

(SPECIAL TO "CHINA MAIL")

Istanbul, To-day. No reason has yet been given for an order by the Turkish Government forbidding Turkish ships to call at foreign ports or to sail in non-Turkish territorial waters.

It is understood, however, that certain vessels may be granted permission to enter foreign waters from time to time in "extraordinary circumstances." — Hayas.

JAPANESE RUN INTO AMBUSH

Nanyang, Honan, To-day. A Japanese drive toward Loshan, in south Honan, has resulted in disaster.

The Chinese ambushed the Japanese near Loshan and damaged the Sinyang-Loshan highway, thus cutting retreat. The Japanese were put to rout, abandoning some 700 bodies and a quantity of munitions on the field. — Central News.

SUMNER WELLES IN ZURICH

Zurich, To-day.

Mr. Sumner Welles, U.S. Under-Secretary of State, arrived here yesterday afternoon.

He was cheered in the station by a crowd of about 1,000 people and drove straight to a hotel.

He will have no official contact with members of the Swiss Government during his stay here, and is expected to leave for Berlin this afternoon.—Reuter.

BETTER LONG WAR THAN MEAN GET-OUT

LONDON, To-day.

SPEAKING AT A DORCHESTER HOTEL LUNCHEON YESTERDAY, MR. LLOYD GEORGE EMPHASISED THE NEED FOR A STRONGER AIR FORCE AND DECLARED: "IF IT IS NECESSARY, MAKE IT CLEAR THAT IF THERE ARE ANY ATTACKS ON OUR CITIZENS AT HOME IT WILL NOT END IN BRITAIN. I AM FOR THAT, ONCE WE ARE COMMITTED TO WAR.

"The nation has agreed that our cause is just. We are fighting for international right. We are also agreed that we will have to go through with it until we reach an honourable, equitable and enduring peace. That is what matters in war.

"BETTER A LONG WAR"

"There is one thing I want to say as an old war Prime Minister — better a long war than a mean get out."

Appealing to his hearers to remember that during the war we had to feed not merely armed forces but 46,000,000 people, Mr. Lloyd George said: "Germany forgot it last time. She depended on her great armies. She was starved to surrender. She learned a lesson. Have we?" — Reuter.

GERMAN ARMS AGREEMENT WITH SWEDEN

New York, To-day.

All Swedish types of armaments captured by Germany in Poland will be sold to Sweden by Germany, according to reports in diplomatic circles, says the "New York Times" in a Washington despatch.

Germany has also agreed to deliver anti-aircraft guns manufactured in Poland under Swedish patents.

Owing to the delicate diplomatic situation in Scandinavia, it is thought that diplomatic denials will be made, but the reports are believed to be derived from detailed information.

The paper adds that it is thought diplomatic quarters in Germany may be anxious to prevent the Soviet from advancing further west. It is also pointed out that the deal may be for purely economic reasons if Germany is hard pressed for cash, or Sweden may have been able to wring concessions from Germany for refusal to yield to Allied pressure to drop her neutral position.—Reuter.

ITALIAN ANTI-JEWISH DECREE

Rome, To-day.

From March 1 Jews will be excluded from most of the professions, such as journalists, doctors, chemists, lawyers, accountants and engineers.

Some are exempted and may offer their services solely to members of their own race.—Reuter.

HOME FOOTBALL

London, To-day.

In a South "A" match yesterday, Crystal Palace and the Spurs shared two goals on the former's ground.—Reuter.

UNITED STATES CAMPAIGN AGAINST AUTARKY

Washington, To-day.

THE SECRETARY OF STATE, Mr. Cordell Hull, stated yesterday that conversations were under way between American diplomats and foreign governments all over the world, in the interest of preventing the forces of autarchy, regimentation and economic totalitarianism from gaining control after the end of the war.

Mr. Hull revealed that copies of his recent statement concerning contacts with neutrals, with a view to establishing a better world order after the war, had been sent to all American representatives abroad, so that they could bring them to the attention of the governments to which they were accredited.

Mr. Hull said the action was taken with a view to making preparations for post-war adjustments, economic and military, and emphasised that the conversations had nothing to do with conditions during the war.

He said that if the forces of peace and stability—especially economic

forces—were not organised, preparatory to the transition and reconstruction period after the war, the forces of autarchy, regimentation and totalitarianism would probably have the same tendency they had after the Great War.

DISASTROUS BASIS

This tendency was to spread their practices on an ever narrowing and more disastrous basis through the interested areas in the world with much worse destructive effects than followed the similar policy after 10 years of the post-war period.—Reuter.

The Keynes Plan Discussed With British M.P.s.

COMPULSORY SAVING OF WAR WAGES

Necessary Now: Valuable After War Is Over

LONDON, TO-DAY.

THE SCHEME FOR COMPULSORY SAVING DURING THE WAR, RECENTLY PROPOUNDED BY THE WELL-KNOWN ECONOMIST, MR. W. M. KEYNES, CAME WITHIN THE PARLIAMENTARY ORBIT YESTERDAY WHEN MR. KEYNES ADDRESSED 250 MEMBERS OF THE HOUSE OF COMMONS OF ALL PARTIES.

Mr. Keynes argued that the rising proportion of all wages over a certain minimum figure should be compulsorily invested until the end of the war, when repayments would increase purchasing power and tend to counter-act the trade depression.

A family allowance should be granted, amounting to 5/- a week for every child under 15, and a capital levy imposed after the war.

Mr. Keynes has arranged to meet the M.P.s again for further discussion.

The Keynes scheme was also mentioned in the House of Lords who were debating national economics.

Lord Hankey, replying to the debate, said the Keynes plan for deferred pay had not been rejected by the Government.

He intimated that before adopting compulsion the Government must see whether loans could not be obtained voluntarily, and quoted figures showing that there had been a reduction in civilian buying.

LOWER STANDARDS

As the war effort developed there would have to be a greater curtailment of civilian consumption.

Lord Stamer declared that such retrenchment in civilian buying was possible before the nation as a whole had to live on a lower standard than in 1914.—Reuter.

REASSURING FIGURES

London, To-day. Reassuring figures were cited by Lord Hankey in the Lords' debate on the dangers of inflation.

He revealed that the Bank of England Indices of retail sales suggested that a considerable measure of economy had been exercised by the public in their personal expenditure in recent months.

On the side of wages, the Government was in the position of having the full co-operation of both employers and employed in industrial problems connected with the prosecution of the war.

The Chancellor had been able to place the elements of the financial problem frankly and fully before the National Joint Advisory Council, of representatives of the British Employers' Confederation and the T.U.C. General Council and since then the whole matter had been earnestly discussed by the Council.—British Wireless.

WEATHER REPORT

The Royal Observatory reports that an anticyclone of considerable intensity covers China and Japan. Pressure is highest over Mongolia and is relatively low over Indo-China and the Caroline Islands.—Reuter.

NEARLY AN INCH OF RAIN

The heavy rain fall experienced in the early hours of this morning resulted in almost an inch being recorded at the Royal Observatory up to 10 a.m.

The total for the 24 hours ended at 10 a.m. to-day was 0.92 inches.

Most of the rain fell during 7 a.m. and 9 a.m. during which hours 0.65 inches were registered.

GERMAN THREAT TO LOW COUNTRIES

(SPECIAL TO "CHINA MAIL")

M. DALADIER, THE PREMIER, IN HIS REVIEW OF THE INTERNATIONAL SITUATION TO THE CHAMBER'S FOREIGN AFFAIRS COMMITTEE YESTERDAY, DEALT WITH VARIOUS PROBLEMS CONNECTED WITH THE GERMAN THREAT AGAINST BELGIUM AND THE NETHERLANDS.

French and British help to Finland, he said, had not prevented the Soviet army from gaining some successes in the Karelian Isthmus owing to the great disproportion of forces and the lack of Finnish reserves.

In addition to explaining the Balkan Entente conference, M. Daladier commented on the conversations which took place at that time in other capitals.

Turkey, he said, was developing most favourably her diplomatic activity and the political situation in the Balkans was taking a very favourable turn, as evidenced notably by the improved relations between Rumania and Bulgaria.

Answering questions, M. Daladier gave members of the committee valuable information about Mr. Sumner Welles' visit, about the Far Eastern situation and the Allies' conversations with Russia last summer.—Reuter.

T.U.C. GRANT TO FINLAND FUND

London, To-day.

At its meeting yesterday the General Council of the T.U.C. decided to give £1,000 to the fund in aid of the Finns sponsored by the National Council of Labour.

In an appeal issued by the National Council of Labour it is stated that the object of the fund is to provide the clothing, food and medical requisites our "Finnish comrades require."

Explaining why these are necessary the appeal states that the Labour deputation recently in Finland saw the results of Russian bombing of open towns, destroying working-class homes and hospitals and killing and maiming the civilian population.

"The deputation," the appeal continues, "was convinced beyond doubt that Finnish workers in the trade unions and co-operative and political organisations which have been built up are solid in determination to fight to the last in an effort to preserve Finland's independence and the splendid achievements of social legislation." It has been announced that the

Durham miners are proposing to send £1,000 to the fund and Belfast aircraft workers are making a contribution to the Finnish Red Cross Fund out of the first national wage increases which will be received next week-end.—British Wireless.

YUNNAN RAILWAY VICTIM INDEMNITIES

(SPECIAL TO "CHINA MAIL")

M. DALADIER, THE PREMIER, IN HIS REVIEW OF THE INTERNATIONAL SITUATION TO THE CHAMBER'S FOREIGN AFFAIRS COMMITTEE YESTERDAY, DEALT WITH VARIOUS PROBLEMS CONNECTED WITH THE GERMAN THREAT AGAINST BELGIUM AND THE NETHERLANDS.

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GRAF SPEE SOLD AS SCRAP

Montevideo, To-day. It is stated in shipping circles here that the wreck of the Graf Spee has been sold by the German authorities to an Argentine steel firm.—Reuter.

DEFEATING THE SCUTTLERS

LONDON, TO-DAY. THE CAPTURE OF THE ROSTOCK BY A FRENCH DESTROYER A FEW DAYS AGO GIVES AN INDICATION OF THE SPECIAL ORDERS GIVEN TO THE ALLIED NAVIES TO CAPTURE GERMAN SHIPS BEFORE THEY CAN BE SCUTTLED.

As already reported, the Rostock was sighted travelling without lights. The destroyer came up quietly, but did not switch on her searchlights till she was only 100 yards away. Before this happened, however, a boarding party had got away in a small boat and approached the German ship from the other side.

While the Germans were staring at the searchlights and recovering from their surprise at being discovered, the boarding party came alongside, rushed to the engine-room and got there in time to prevent the sea-cocks from being opened.—Reuter.

EDUCATION VOTE

London, To-day. Over £52,500,000 will be spent on education in Britain in the next financial year—this is an increase of £350,000 over previous years.—Reuter.

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DB1758—CATARI, CATARI —ECOUTEZ LES MANDOLINES.	Tino Rossi.
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DB1847—BOUM —VOUS ÊTE JOLIE.	Charles Trenet.
C 148—PARLEZ MOI D'AUTRE CHOSE —J'AI LAISSE MON COEUR.	Lucienne Boyer.
DF2866—LE BASSIN DE LA VILLETTTE —CE SOIR OU BIEN JAMAIS.	Lys Gauty.
MC3207—MAN BANLIEUE —VALSE —SOUS LES BECS DE GAZ.	L'Accordeoniste.
MC3208—ELLE LISAIT MARIE-CLAIRES —L'ASSEMBLEE DU VILLAGE.	L'Accordeoniste.

THE ANDERSON MUSIC

MIRROR OF WORLD OPINION

SWEDEN

The "Svenska Dagbladet," the Conservative organ, considers that Italy is unwilling to allow Turkey to lead the Balkan States, and adds: "Stalin has enough soldiers, guns, and planes, but Russian supplies would be welcome. Everybody knows, however, that German hopes of obtaining material from Russia have failed. Developments in the Balkans are causing anxiety in Germany, because of the fear that the Balkan States are joining the economic blockade."

FINLAND

"Unsi Suomi," the National Coalition organ, refers in a Berlin dispatch to a leading article in the "Frankfurter Zeitung" and adds: "Germany has enough soldiers, guns, and planes, but Russian supplies would be welcome. Everybody knows, however, that German hopes of obtaining material from Russia have failed. Developments in the Balkans are causing anxiety in Germany, because of the fear that the Balkan States are joining the economic blockade."

BELGIUM

Commenting on the heavy losses of neutral shipping, "La Meuse," the Liberal organ, states: "Why do not the neutrals agree together to escort their own shipping? It should not be forgotten that many neutrals possess fleets big enough for this purpose."

"La Gazette," the Liberal newspaper, after criticising Mr. Churchill for his "non-comprehension" of the neutrals' position, adds: "There is some truth in his analogy of the crocodile. If the Allies fell to the level of the secondary Powers it would mean the end of the Belgian regime, whose chief basis is individual liberty."

SOVIET UNION

In a recent article entitled "The Price of Italy's Neutrality" in "Pravda," the official organ of the Central Committee of the Communist party, it was stated: "Italy at present is unable to judge who will be the victors, but she does not wish to remain outside the struggle for fear she will not be able to obtain her share of the loot."

"The real reason of Italy's waiting policy is her inability, owing to lack of raw materials, to take part in a prolonged war. Her final price for taking part has not yet been fixed, but it is certain her rulers are afraid of selling participation too cheaply."

The article went on to affirm that if Italy took action against England and France it would be with the aim of turning the Mediterranean into an "Italian lake," but for this she had to be sure of victory. If she took sides against Germany she would obtain certain of her claims against the Balkan Entente and destroy German influence in the Balkans, but here again the assurance of victory was also necessary. At present neither of the opposing parties required Italian help, but if the war was prolonged the price of her non-participation might be enhanced.

"Italy will bargain with both sides and sell both her participation and her non-participation," concluded the article. "This will call for considerable adroitness, cynicism, and blackmailing ability. Italian diplomacy need borrow from no one the qualities of cynicism and blackmailing."

URUGUAY

"El Plata," in a leading article entitled "Solidarity with the Allies," says that Great Britain and France are defending morality in the widest sense of the term, while Hitler and Stalin are the advocates of immorality, whether in destroying individual dignity, family life, or, in the case of Hitler, making a sport of the violation of treaties. It comments on the latest revelations by the Vatican of Polish atrocities. The article adds: "Two countries which are much to be admired for their liberal tradition, for the conscious heroism of their sons, and for their unwavering devotion to high principles are fighting to-day for their liberties and for ours." Simply by stating the hypothesis of a world dominated by triumphant Communism and Nazism one can prove the overbearing necessity that everyone, each in the measure in which he is able, should struggle for the conclusive victory of France, Great Britain, and their Allies, and with their victory that of the basic principles of Western civilisation.

"The people of Uruguay are fundamentally united as citizens who love the democratic institutions which France and Britain taught to the world and who repudiate the black and red totalitarianisms."

UNITED STATES

The "New York Herald-Tribune" referring to peace rumours, states that any terms offered by the Nazis would be read at once as an attempt to undermine the Allied will to resistance, for even to consider peace overtures would put them in mortal danger. "Hitler has done all in his power to convince his enemies that no peace for him could be anything more than a preparation for another step towards his dreams of permanent conquest," adds the paper. "Much more than merely in an oratorical sense there can be no peace with Hitler."

Referring to Mr. Oliver Stanley's speech, the "Indianapolis Star" states: "The British War Secretary might call attention to what Germany did to France in 1870. To pay indemnities the French did not inflate currency and complain that they could not meet terms that had been imposed upon them. If the Hohenzollerns had won in 1918 France, Britain, and the United States would have been called upon to pay. It is a case of do or die with the Allies. There can be nothing half-way for them. They must either dictate peace or accept a compromise on terms that would mean defeat under another guise."

DENMARK

The "Berlingske Tidende," the Conservative newspaper, commenting on German indignation because a British report of the recent Nazi raid on British shipping had received more prominence than the German version, stated: "What in Germany is regarded as a triumph for German arms is for Denmark only too often a sad message of death. The conditions for neutral shipping at present are bitterly felt in this country and the attitudes of the Danish press and people are absolutely identical. The German press must therefore not be surprised if the war when it receives a treatment in the Danish press different from what had been expected."

Hong Kong-Built Steamer In Sea Drama Off Spain

GLENORCHY RESCUE IN NICK OF TIME

DALADIER SATISFIES CHAMBER

Paris, To-day.

The progress of the war on the western front, the war in Finland and the general international situation were outlined by the Premier, M. Edouard Daladier, in an important statement to the foreign affairs committee of the Chamber yesterday.

A communique issued after the meeting says: "The committee were pleased to learn of the magnitude of the material aid given by France and Britain to Finland" and "our help is to be continued."

After stating M. Daladier explained the results of the Balkan Entente conference, the communique says: "The diplomatic activity of our Turkish friends in the Balkans is of the most pleasing nature."

The communique concludes: "M. Daladier, while disillusioning those who depict Germany as on the verge of collapse, enumerated the grave internal difficulties which the Reich is endeavouring to hide by its propaganda, and developed reasons for justifying our confidence in victory in such a spirited way that he was greeted with unanimous applause." — Reuter.

PAUSE BETWEEN DICTATORS

ZURICH, TO-DAY.

IT IS UNDERSTOOD THE PURPOSE OF MR. SUMNER WELLES' STOP IN ZURICH IS MERELY TO GIVE HIM PAUSE FOR REST AND REFLECTION BETWEEN VISITS TO ROME AND BERLIN. THERE APPEARS TO BE NO QUESTION OF SPECIAL CONVERSATIONS IN SWITZERLAND.

This afternoon he will leave for Berlin in a special sleeping car placed at his disposal by the German Government.

It is expected that after a stay of two or three days he will pass through Switzerland again en route to Paris and London. Finally Mr. Welles will return to Rome, embarking at Naples for New York. — Reuter.

R.A.F. AGAIN OVER BERLIN

London, To-day.

The Royal Air Force carried out another raid over Germany on Tuesday/Wednesday night, this being the fifth in six days.

Berlin was visited for the second time in two days on Tuesday night, Hanover, Kiel and other naval bases being also flown over. — Reuter.

London, To-day. HOMEWARD BOUND from the Far East, the British Hong Kong built steamer Glenorchy passed through a large patch of oil floating on the water and half an hour later her Master, Capt. William Christie, sighted an open boat about 80 miles from the Spanish coast showing no sign of life.

The Glenorchy circled round and sounded her siren, whereupon, Capt. Christie said, "the boat came to life with heads and waving arms."

It contained the captain, chief engineer and 11 men of the Dutch motor-tanker Den Haag, who were exhausted and starving after drifting four days.

So bad was their condition that they had laid down to die.

Nothing is known of the fate of the 26 other members of the crew of the Den Haag, who took to two other boats. — Reuter.

The Den Haag was torpedoed by a Nazi submarine.

MEXICAN OIL SEIZURE INDEMNITY?

MEXICO CITY, TO-DAY. ACCORDING TO THE NEWS-PAPER "EXCELSIOR," MEXICO IS PREPARING TO TAKE THE FIRST STEP FOR A DEFINITE SOLUTION OF THE PETROLEUM CONTROVERSY BY PAYING THE SINCLAIR PETROLEUM COMPANY AN INDEMNITY "IN AN IMMEDIATE FORM" AND IN CASH.

This announcement follows the recent statement by President Cardenas that "the oil crisis will be solved satisfactorily for Mexico before the end of my term," that is to say, within the next eight months.

The amount mentioned as payable to the Sinclair Petroleum Company is \$7,000,000.

Local oil circles do not comment on the announcement, which, if true, would indicate a split in the policy of the foreign oil interests involved in the expropriation. — Reuter.

RAJAH OF SARAWAK DEPOSED

London, To-day.

The Secretary for the Colonies, Mr. Malcolm Macdonald, refused in the House of Commons yesterday to make a comment on the recent events in Sarawak.

The question was raised by Prof. Sir J. Graham Kerr (Conservative, Scottish Universities), who asked whether in view of the proximity of the independent protected State to British possessions in the Far East and its strategic importance he would inform the House in regard to the recent deposition of the Rajah Muda and the resignation some months earlier of five members of the Civil Service, including the Chief Secretary, Financial Secretary, Chief Justice and principal Medical Officer.

INDEPENDENT STATE

Mr. Macdonald, in reply, said that relations between His Majesty's Government and the State of Sarawak were governed by the agreement of 1888, under which Sarawak was recognised to be an independent sovereign State, in the internal affairs of which His Majesty's Government had no authority to interfere except for the limited purposes mentioned in the agreement.

In these circumstances, Mr. Macdonald was of opinion that it would be improper for him to make any comment on the facts referred to in the question. — Reuter.

ARCTIC HUNT EPISODE

London, To-day.

Following Mr. Churchill's brilliant speech on the Navy Vote in the House of Commons on Tuesday, Mr. Geoffrey Shakespeare, Parliamentary and Financial Secretary to the Admiralty, gave Members some details of the spirit of the Royal Navy.

He told of one ship which, before Christmas, was looking for the Deutschland.

One night, a light was seen on the horizon that might have been the quarry. Every man on board rushed to points of vantage.

A 15-year old Maltese seaman who was soaking in a hot bath at the time rushed up as he was onto deck, where the temperature was around 20 deg. Fah. He stood on the pom-pom deck to look at what was, to him, the Mecca of his dreams.

In another case, a warship put into port for repairs. She had 350 tons of ballast on board and this had to be moved.

The captain was told that this would take 24 hours.

The ship could not afford to wait that long, so the captain appealed to his crew.

Led by the chaplain, they got to work on the ballast—and moved it all in 1½ hours! — Reuter.

TIN CONTROL CHALLENGE

London, To-day.

Mr. P. L. Horabin (Liberal, North Cornwall) asked in the House of Commons yesterday if, in view of the fact that exports and stocks of tin are still under the control of the International Committee, on which countries still at peace have the majority of votes, the Colonies Secretary would immediately invoke Clause 24 of the agreement, providing against a signatory country being prejudiced when at war.

The Colonies Secretary replied that he did not think that at present British interests were prejudiced by the continuance of the agreement. — Reuter.

the limited purposes mentioned in the agreement.

In these circumstances, Mr. Macdonald was of opinion that it would be improper for him to make any comment on the facts referred to in the question. — Reuter.

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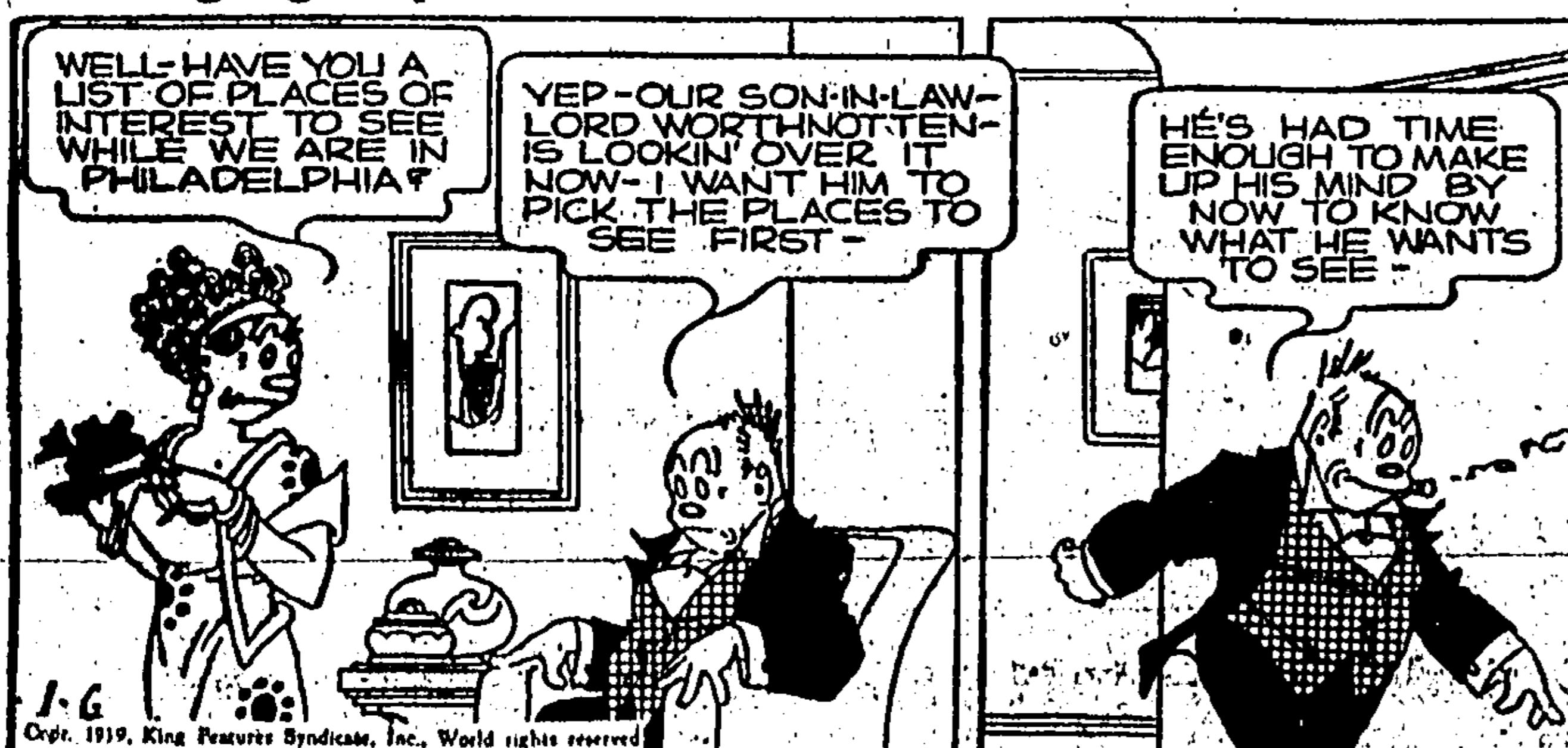
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PRIME MINISTER'S BACK TO THE LAND APPEAL

London, To-day.

AN APPEAL FOR THE stimulation of agricultural products was made by the Prime Minister, Mr. Neville Chamberlain, addressing the chairmen of the County War Agricultural Executive Committees yesterday afternoon.

Mr. Chamberlain said: "We are turning the country into a huge armaments workshop, thereby placing a strain upon shipping which did not exist in peacetime."

Mr. Chamberlain declared our shipping losses, though substantial, compared in trifling proportion to the volume of our shipping.

It was necessary to adopt measures which would add to safety but which were not in themselves economic.

In addition to the amount of shipping at our disposal another limiting factor in importation was our resources in foreign exchange.

"The way out of the dilemma is to increase the home production of food.

2,000,000 ACRES

"Some venerable prophets of agriculture say the Government's programme of two million acres is much too low a figure but two million was chosen as a higher figure we thought was unobtainable in the time.

"The programme has been handicapped by the weather but it should still be possible to attain the programme if everybody puts his back into it."

The War Cabinet would be behind the farmers in their effort, and the Premier had asked the Lord Privy Seal to identify himself personally with the campaign.

Referring to reports that some farmers were hesitating to contract for sugar beet because they were afraid there would be insufficient labour to gather the crop, Mr. Chamberlain gave a definite assurance that the Government would take whatever steps necessary to see that crops when grown are harvested.

LIMIT TO SUBSIDIES

The Premier also gave an emphatic denial that there was any idea that farmers be treated any worse than industrial factories.

"There is a limit to the amount that can be spent in subsidies and it is essential to keep away from the vicious spiral in which prices and wages go chasing each other."

Regarding the position after the war, Mr. Chamberlain declared the Government was determined, if they were still in office, that agriculture would not be allowed to collapse as last time. — Reuter.

WELSH SERVICE AT METHODIST CHURCH

On Sunday morning next, the Sunday after Saint David's Day, a service of particular interest to Welsh people will be held in the English Methodist Church, Queen's Road East at 10.15 a.m.

The preacher will be the Rev. P. E. Jones, B.Sc., a recent arrival in the Colony, and the hymns selected are well known traditional Welsh airs.

It is many years since a service of this nature was held in Hong Kong, the last occasion being when the Rev. E. G. Powell of the Union Church was here.

JUNK PIRACY TRIAL

A robbery in British waters on November 15 had a sequel at the Supreme Court this morning when four men were charged before Mr. Justice R. E. Lindsell with participating and receiving stolen goods.

The accused were Chan Wai, Chan Tai, Kwok Lai and Wong Kam-chan. Chan Wai was charged with receiving stolen property and the others with robbery.

The case for the Crown was conducted by Mr. E. H. Williams.

The jury was composed of Messrs. W. J. Carroll, U Kui-yin, K. E. M. Caudron, S. A. Rehman, Wai Ma-lok, A. R. Pinna and J. G. Buis.

Mr. Williams said that complainant left Chinese Territory on November 15 with his junk and crew of seven. In addition there were four traders and a cargo consisting of pigs, eggs, wood oil and copper cents. About 4 p.m. next day, near Tai Mak-yuen, another boat came alongside and three men came on board, two armed with revolvers and one with a rifle. The occupants of the boat were pushed into the hold and the junk sailed away. After a time, the cargo was transferred.

Late that night, the crew came out on deck and found the robbers gone and the sails of the junk missing. The junk drifted but was later brought into harbour by a passing steamer.

COOK'S STORY

On board the robber junk, said Mr. Williams, was a 15-year-old cook, Chan Ngau, who would say that the first accused was master of the robber junk. The others were members of the crew.

On November 15 the junk went to Chinese territory and obtained arms from Sam Mun. First accused was not on board. The other three accused went aboard a junk with the arms and robbed it and later the junk was sailed to Cheung Chau where the stolen cargo was transferred. First accused supervised the transfer.

Mr. Williams said that evidence would be brought to show that first accused disposed of a number of pigs to a pork dealer and on November 19 sold the oil and copper coins to a grocer in Cheung Chau.

On December 16, as the result of information the police arrested the accused in Cheung Chau. Case is proceeding.

By George McManus



SOUTH AFRICA'S FIRST WAR BUDGET

Capetown, To-day.

PRESENTING THE WAR BUDGET to the Assembly yesterday the Finance Minister, Mr. J. H. Hofmeyr, stated that estimated revenue in 1940-41 on the existing basis of taxation was £44,868,000, excluding amounts accrued to the State in respect of the price of gold in excess of 150/- per ounce. Estimated expenditure was £45,595,000.

Dealing with proposed taxation, Mr. Hofmeyr announced the creation of a war expenses account, and estimated that £14,000,000 would be required, of which £2,250,000 was at present available.

DODGING BLOCKADE BY PARCELS

London, To-day.

It is understood in London that the authorities in Rumania, Yugo-Slavia and the Netherlands are to take steps to stop the wholesale depletion of stocks of food-stuffs in certain areas of their respective countries.

The depletion arose from the remittances of parcels to Germany arising from the activities of a concern known as the Fortra Corporation, in the United States.

This corporation charges \$8.50 for a parcel of foodstuffs, which can be bought in Holland and sent to Germany for little more than \$3.

The corporation thus apparently makes a profit of \$5 on each parcel and this balance is at the disposal of the Germans.

It is suggested in some quarters that a large trade between Germany and Sweden is being carried on via Spain.

Substantial German-owned balances of Spanish pesetas are being released to Swedes, who make purchases with them in Spain and ship goods to Sweden.

The British authorities, however, are said to be viewing the situation without undue concern.—Reuter.

FIXING THE PUPPETS

(SPECIAL TO "CHINA MAIL")

Tokyo, To-day.

Lt.-General Seichi Kita, head of the Japanese Special Service in North China, has arrived here from Peking to discuss matters linked with the establishment of the Wang Ching-wei regime.

According to the "Asahi Shimbun,"

Referring to the taxation of gold mines, he announced the abandonment of the provision limiting gold mining companies' proceeds to 150/- an ounce.

As recompense he proposed to impose on the gold mining industry a special contribution of £3,500,000.

General object was particularly to benefit low grade mines and mines outside the Witwatersrand, and to extend the life of the industry.

E.P.D. PROPOSED

An excess profits duty of 10/- in the Pound would be imposed but would not apply to the gold or diamond mining industries.

Mr. Hofmeyr proposed a further 2/- in the Pound as a special contribution by the diamond industry.

The basis of normal income tax and supertax would not be altered but the 30 per cent rebate on both individuals and companies would be withdrawn. — Reuter.

TIENTSIN FOOD PRICES STILL SOAR

(SPECIAL TO "CHINA MAIL")

Tientsin, To-day.

Despite the recent arrival of 1,000,000 bags of flour from Japan and Australia the food situation here is still extremely precarious and prices continue to soar, chiefly owing to the recent drop in local currency and the rising prices abroad.

Twenty per cent. of the flour was acquired owing to the export and import link system prevalent in North China, since the institution of exchange control, but the amount of foreign currency released through this system is not sufficient owing to considerable reduction in exports to non-yen bloc countries. — Havas.

the parleys will bear mainly on the appointment of administrative, advisers to North China and the legislative and military Japanese relations to be maintained between North China and the Federal Reserve Bank and the foreshadowed new Central Bank of China. — Havas.



This is not a picture from Scotland but deer in the recent snows.
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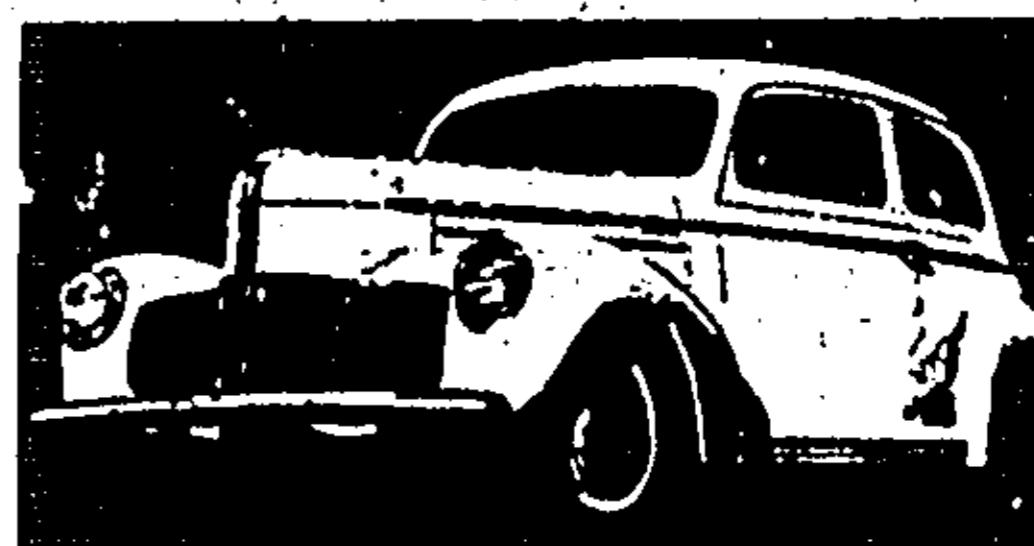
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INWARD MAIIS

Air Mail by "Air France Direct Service"—Paris date, 21st Feb., February 29.	February 29.
Calcutta, Straits and Saigon February 29.	February 29.
Air Mail by "Imperial Airways Direct Service"—London date, 21 February.	February 29.
Manila February 29.	February 29.
Shanghai February 29.	February 29.
Manila February 29.	February 29.
U.S.A., & Manila (San Francisco date, 31st Jan.) February 29.	February 29.
Japan and Shanghai February 29.	February 29.
Shanghai February 29.	February 29.
Canton February 29.	February 29.
Manila February 29.	February 29.
Shanghai February 29.	February 29.
Japan and Shanghai February 29.	February 29.
Shanghai February 29.	February 29.
Japan and Shanghai February 29.	February 29.
Japan February 29.	February 29.
Haiphong and Hoikow February 29.	February 29.
Canton February 29.	February 29.
Saigon February 29.	February 29.
Bangkok February 29.	February 29.
Shanghai February 29.	February 29.
Japan and Shanghai February 29.	February 29.
Canada, U.S., Japan and Shanghai—(Vancouver B.C. date, 10th February)	March 1.
Shanghai March 1.	March 1.
Sandakan March 1.	March 1.
Haiphong, Hoikow and Fort Bayard March 1.	March 1.
Egypt and Straits March 1.	March 1.
Europe via Suez and Straits (London date, 18th Jan.) March 1.	March 1.
Bangkok and Saigon March 1.	March 1.
Calcutta and Straits March 1.	March 1.
Japan March 1.	March 1.
Air Mail by "Imperial Airways Direct Service"—London date, 24th February	March 3.

OUTWARD MAIIS

Registered and Parcel Mails are closed 15 minutes earlier than the time given below unless otherwise stated, and where mails are advertised to close at or before 9 a.m., registered and parcel mails are closed at 5 p.m. on the previous day.

For Per Date and Time.

THURSDAY		
Fort Bayard	...	Feb. 29, 1.30 p.m.
Haiphong	...	Feb. 29, 2.00 p.m.
Shanghai	...	Feb. 29, 2.30 p.m.
Manila, Australia and New Zealand via Thursday Island—due Thursday Island, 13th March.	K.P.O. & G.P.O. Reg., Ord.,	Feb. 29, 2.45 p.m. Feb. 29, 3.30 p.m. Feb. 29, 7.00 p.m.

FRIDAY		
Canton	...	Mar. 1, 7.15 a.m.
Shanghai	...	Mar. 1, 2.30 p.m.
Saigon, Straits, Ceylon, India, Egypt and Europe via Marseilles—due Marseilles, 28th March.	G.P.O. & K.P.O. Reg., Ord.,	Mar. 1, 2.45 p.m. Mar. 1, 3.30 p.m. Mar. 1, 7.00 p.m.
Manila	...	

SATURDAY		
Haiphong	...	Mar. 2, 10.00 a.m.
Shanghai	...	Mar. 2, 2.30 p.m.
Air Mail for "Imperial Airways Direct Service"—due London, 10th March.	G.P.O. & K.P.O. Reg., Ord.,	Mar. 2, 5.00 p.m. Mar. 2, 5.30 p.m.

SUNDAY		
Saigon and Bangkok	...	Mar. 4, 8.30 a.m.
Manila, Rabaul, Australia and New Zealand via Brisbane—due Brisbane, 21st March.	G.P.O. & K.P.O. Par., Reg., Ord.,	Mar. 2, 5.00 p.m. Mar. 4, 8.45 a.m. Mar. 4, 9.30 a.m.

MONDAY		
Haiphong	...	Mar. 4, 1.00 p.m.
Straits (Parcels only)	...	Mar. 4, 1.30 p.m.
Straits, Ceylon, India, Mombasa, Beira, Lourenco-Marques, East and South Africa	...	Mar. 4, 2.30 p.m.
Canton	...	Mar. 4, 7.00 p.m.

* Superscribed correspondence only.

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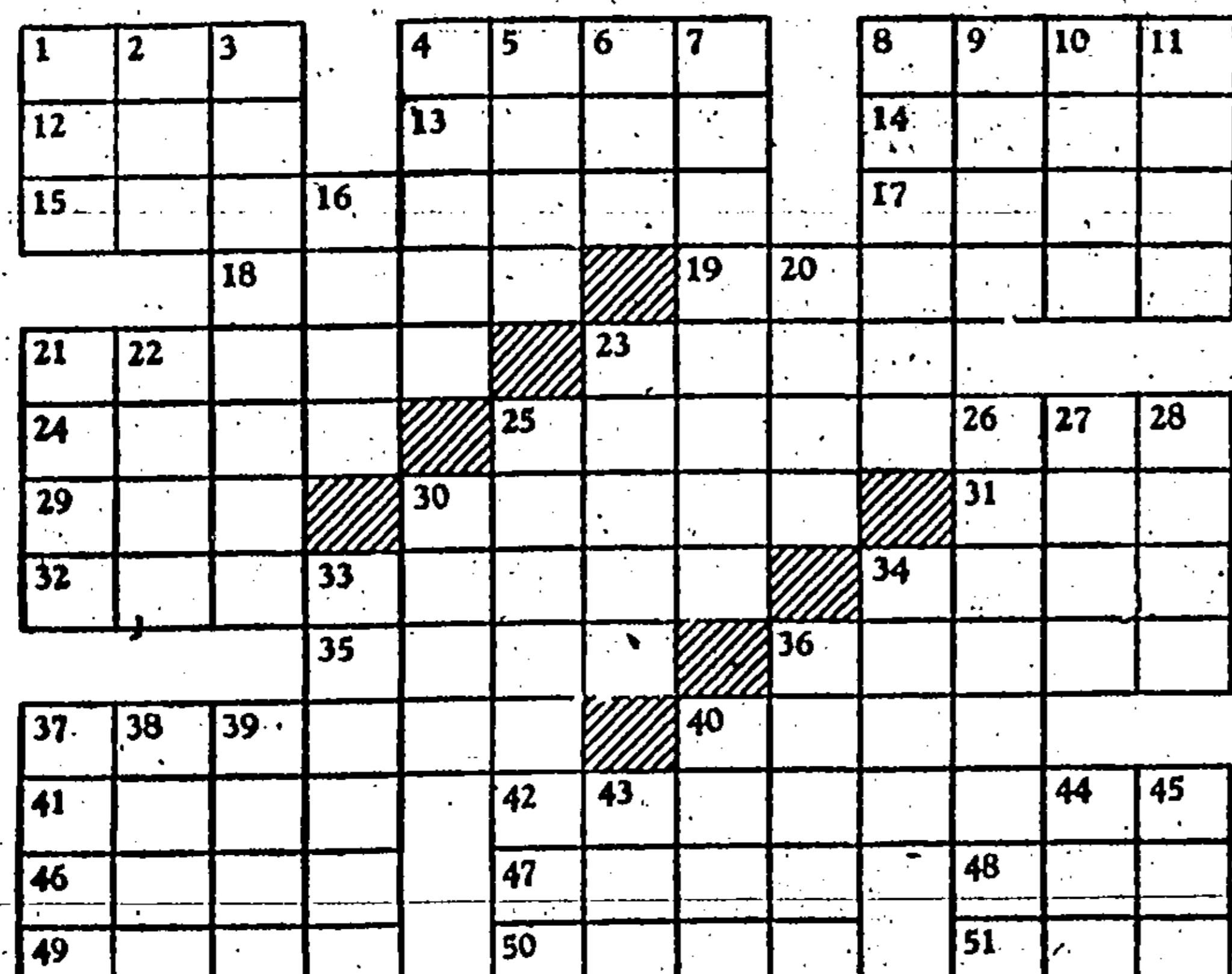
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OUR 10-MINUTE CROSS-WORD



HORIZONTAL

- 1 To urge
- 4 Jutting rock
- 8 Talon
- 12 Swiss river
- 13 Verdi opera
- 14 To sharpen
- 15 To move
- 17 Plaster
- 18 Shelter
- 19 Coalition
- 21 Mountain ridge
- 23 Mass of ice
- 24 Existence
- 25 Joins
- 29 Australian bird
- 30 Citadels
- 31 Farming tool
- 32 Edges of woven fabrics
- 34 Rational
- 35 Goddess of discord
- 36 Colloquial: studied hard
- 37 Short poem
- 40 Brewer's mixture
- 41 Barren

42 Barometers

- 46 Rate of progress
- 47 Ripped
- 48 Pheasant brood
- 49 Snow-vehicle
- 50 Female sheep
- 51 To acquire

VERTICAL

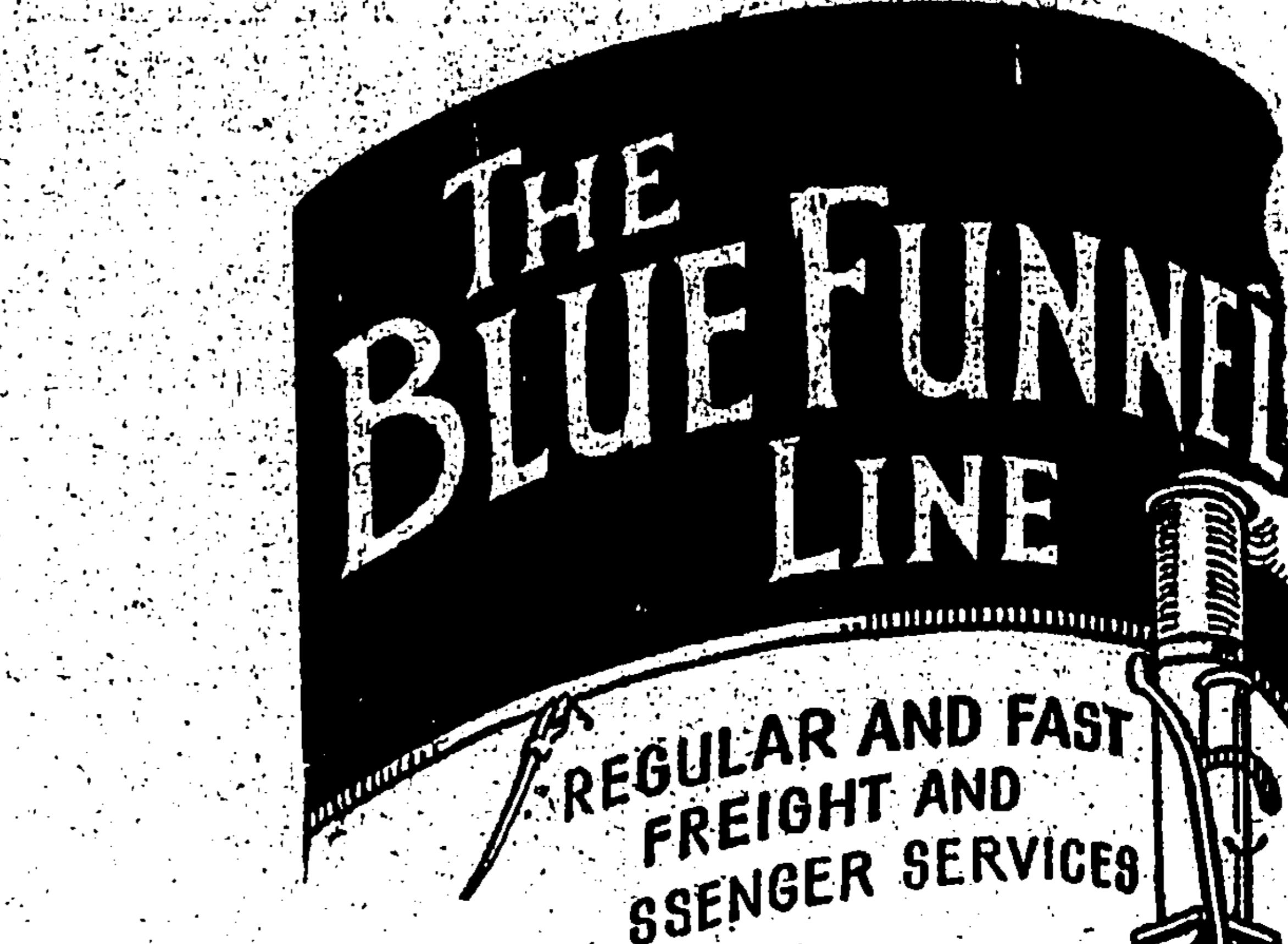
- 1 To erode
- 2 Fish
- 3 Elegant
- 4 Rank
- 5 Prevalent

YESTERDAY'S SOLUTION

P	I	N	E	S	P	A	C	T	S
A	R	D	E	N	E	U	R	O	P
L	E	T	O	O	A	R	A	E	R
L	Y	E	S	A	S	A	F	R	A
O	R	O	E	T	A	R			
I	N	O	C	E	N	I	B		
T	E	C	O	R	O	L	A	N	O
O	U	R	S	E	D	I	L	I	S
R	I	A	M	X	M				
C	O	M	P	I	E				

6 Fruit drink

- 7 Apparel
- 8 To attack
- 9 Extended
- 10 Stake
- 11 To endure
- 16 To observe
- 20 Sea eagles
- 21 Beverages
- 22 Verse
- 23 Wearies
- 25 To ponder
- 26 Singing
- 27 Sound
- 28 To sow
- 30 Rate
- 33 Sold
- 34 Alone
- 36 Reveals
- 37 Enervates
- 38 Aloud
- 39 Fastidious
- 40 Only
- 42 Currently
- 44 To colour
- 45 To place



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THIRD WEEK OF MARCH.

FIRST WEEK OF MARCH.

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THIRD WEEK OF MARCH.

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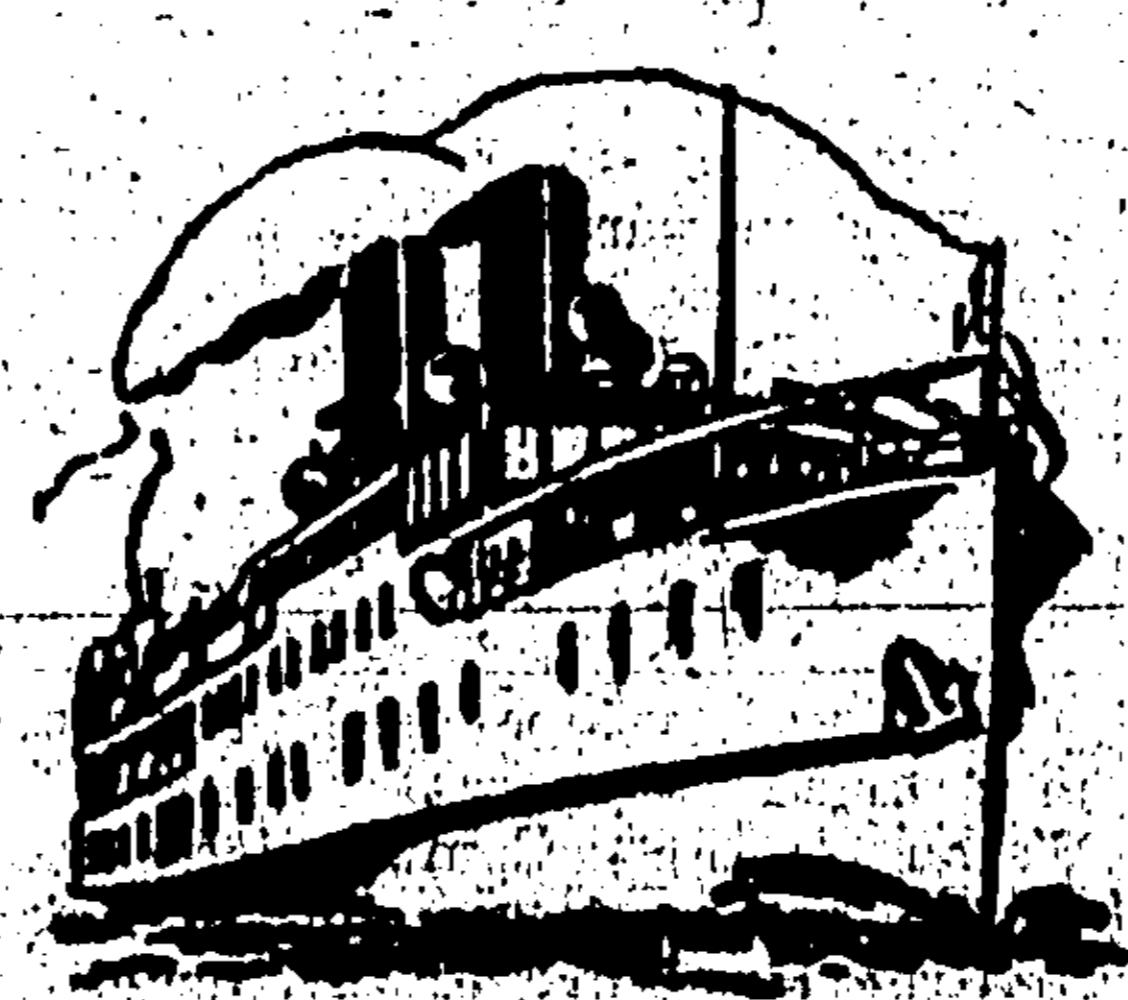
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HONGKONG & SHANGHAI BANKING CORPORATION

The Final Dividend declared for the Year ending 31st December, 1939, at the rate of Two Pounds Ten Shillings Sterling at exchange 1/2.7/8 is payable on and after the 28th February, 1940, at the Offices of the Corporation, where shareholders are requested to apply for Warrants.

By Order of the Board of Directors.
V. M. GRAYBURN,
Chief Manager.
Hong Kong, 28th February, 1940.

NATURALIZATION NOTICE

NOTICE is hereby given that Dr. Maximilian, Otto, Friedrich PFISTER of 3 Conduit Road, Hong Kong, is applying to the Governor for naturalization, and that any person who knows any reason why naturalization should not be granted should send a written and signed statement of the facts to the Colonial Secretary, Hong Kong.

HONGKONG & WHAMPOA DOCK CO., LTD.

Notice is hereby given that the Ordinary Yearly Meeting of Shareholders will be held in the Office of the Company, No. 2 Queen's Building, Hong Kong, on TUESDAY, 26th March, 1940, at noon for the consideration of the Directors' Report and Balance Sheet for the year ending 31st December, 1939.

The Share Register and Transfer Books will close from the 15th to 26th March, 1940, both days inclusive.

By Order of the Board of Directors.
E. COCK.
Chief Manager.
Hong Kong, 27th February, 1940.

PUBLIC AUCTION

The Undersigned have received instructions to sell by Public Auction on

FRIDAY, the 1st MARCH, 1940 commencing at 2.30 p.m. at their Sales Room, No. 35 Hankow Road, Kowloon.

A Quantity of Valuable Household Furniture comprising:

Hatstands, Chesterfield Couches & Armchairs, Tables, Bookcases, Card Tables, Cabinets, Oil Paintings, Pictures, Brass & Bronze Ornaments, Curios, Silk & Heavy Curtains, Carpets, Rugs, Cushions, etc. etc.

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JAPANESE EYES ON "SOUTH SEAS"
(SPECIAL TO "CHINA MAIL")

A STRONG IMPETUS IS EXPECTED to be given in the near future to Japan's economic expansion towards the Southern Pacific.

The Overseas Minister, General Koiso, who is regarded as the most energetic figure in the new cabinet, is devoting an important part of his time, it is said, to the execution of the new policy. Among other indications that the "South Seas expansion" is the order-of-the-day, can be listed the following decisions:

To create a South Seas Bureau of the Foreign Office and a South Seas Section in the new Overseas Development Bureau of the Overseas Ministry; to open an air-service linking Tokyo with Japan's mandated islands; to improve shipping facilities to the South Seas; to erect a "symbolical South Seas" Grand Shrine dedicated to the Sun Goddess in the Palau Islands; to open a Tokyo City's trade office in Batavia to promote trade with the Netherland East Indies; an inspection tour of General Koiso in the Mandated Islands; his recent interviews stressing the urgent need for an East Asia economic bloc including the South Seas; and interpolations in the Diet in favour of this policy to which the Foreign Minister gave a favourable reply.

A revealing statement was published some time ago as to the reasons of this new trend of Japan's expansion, by the Institute of the Pacific, a private organization engaged in the study of economic and political problems. The statement, declared that the islands of the Pacific "should be brought under the shining light of modern culture," and their treasures should be made available to the world at large. "The successful execution of Japan's policy cannot be achieved on the Continent alone," it was added. "There are many resources more conveniently located in the Pacific which can contribute to Japan's successful policy."

"HEAVY RESPONSIBILITY"

The Japanese people, the statement concluded, had a heavy responsibility to make full use of the opportunities which were before them at the present moment, and which might come only "once in a thousand years."

Immediate motives for a southern push were recently given by the semi-official "Japan Times" as being the following:—1. The "deadlock in Japan's northward" expansion due to oppression by the Soviet Union over Japan's fishery, oil and coal development business and to the uncertain frontier situation.

2. A strong need for new natural resources due to the growing needs for the war in China.

3. The necessity of replacing the markets and the sources of raw materials which Japan has lost following the outbreak of war in Europe.

RECENT MOVE

Japan's unexpected notification to Holland of the abrogation of the Dutch-Japanese treaty of arbitration and conciliation led many observers here to the belief that a clever diplomatic game has been started and will soon develop, by which to back the new efforts of Japan for economic expansion in the Southern Pacific.

But a general consensus of opinion tends to give their full value to Mr. Arita's emphatic assurances of Japan's peaceful desires. The same opinion does not prevail everywhere, however, for a Domei message from New York reports that informed American commentators are still feeling unable "to however determine whether Japan's action indicates merely a technical revision of policies or preparation for possible aggressive action against the Dutch East Indies while Britain is fully occupied with the European war." — Hayes

TOUR OF B.E.F.

London, To-day. Reuters correspondent, somewhere in France, says that General Sir Walter Kirke, Commander-in-Chief of the home forces, has arrived at General Headquarters to inspect the British zone. — Reuter.

AN ANGRY CROWD

HOW HE WAS SURROUNDED AND THREATENED BY OVER 200 HAWKERS AT KOWLOON CITY MARKET YESTERDAY WAS RELATED BY SANITARY INSPECTOR A. C. SINTON THIS MORNING. BEFORE MR. E. HIMSWORTH, WHEN HE PROSECUTED CHAN CHUEK-PUI, 26, AND HIS MOTHER, LO HO, 54, FOR RESISTING HIM IN THE EXECUTION OF HIS DUTY.

Accused were each fined \$10 and warned to be of good behaviour.

Inspector Sinton said that at 8.30 a.m. while he was chasing hawkers, he was obstructed by first accused, who stood amongst several baskets and refused to move. On his arrest, his mother came along and struggled with the Inspector.

He was assisted by Inspector Cham-pelovier in arresting both and taking them to the station. On the way, over 200 hawkers followed shouting, "Strike, strike." No further incident occurred.

KING AND QUEEN ON CLYDESDALE

London, To-day. The King and Queen continued their Scottish tour yesterday and visited the shipyard from which the liners Queen Mary and Queen Elizabeth were launched.

Their Majesties were met by Mr. Churchill, who has gone North to visit ships and establishments, and were enthusiastically greeted by 30,000 workers. — British Wireless.

GIB. CLEARANCES

London, To-day. The Gibraltar port authorities state that the time required for the clearance of U.S. ships last week averaged less than eight hours, except in the case of one ship which was without clearance papers. — Reuter.

POLICE GET RIGHT MAN

Kwok Shun, 71, charged with keeping an opium divan, and possession of non-Government opium, was given \$5 from the "poor box," by Mr. T. J. Houston this morning, for helping the Police to locate his employer.

Accused's employer, Wong Yan, was sentenced to six months' hard labour and recommended for banishment.

Kwok was warned by Mr. Houston yesterday, that if he could not locate his employer, he would be sentenced to one year's hard labour.

DR. KUNG'S FINANCE PROGRAMME FOR CURRENT YEAR

Chungking, To-day.

DR. H. H. KUNG, MINISTER of Finance, in an outline of his financial programme for the current year, tops his programme with reconstruction, indicating his belief that the home-front will ultimately deal the knock-out blow to Japan.

Established reconstructive projects and new economic and industrial enterprises absorbing hundreds of millions of dollars have been investigated.

To expedite the modernisation of the South-West and the North-West, the government banks, (Central Bank of China, Bank of China, Bank of Communications and Farmers' Bank of China) as well as provincial banks, will open a network of branches.

Secondly, in addition to control of imports and exports, the government will supply consumption goods to the people at minimum cost. Dr. Kung announces.

The measure, a quasi-monopoly scientifically and efficiently operated as a substitute for a consumption tax, will benefit the poor.

Thirdly, the Government is enforcing thorough-going readjustment of local finances. Local governments receive their principal incomes from land tax, 15 to 45 per cent of which they have to remit to provincial treasuries. The elasticity of the 15 to 45 per cent remittance provides magistrates with leeway for special needs in their hsien or countries.

Land tax returns so far average 70 per cent of the actual estimate, due partly to inefficiency and partly to inability of the very poor to pay duties. The dual collecting and auditing system has been introduced to combat inefficiency. Rural credit and co-operatives of both consumers and producers will help to bring prosperity. — Central News.

DIRECTORY FRAUD SENTENCE

A 28-year-old shroff, Kam Wing, was sentenced to four months' hard labour by Mr. R. Edwards yesterday afternoon for attempting to obtain \$10 by false pretences from the R. C. A. Manufacturing Company of China on February 25.

Defendant went to Mrs. M. Wilson, secretary of the R.C.A., and said he was authorised to collect the money for the "Hong Kong Directory Company."

There have been many similar instances, the victims believing the culprit to be representing the Hong Kong Dollar Directory.

Defendant, who pleaded guilty, was also recommended for banishment.

AN ALL-TIME HIGH

All film records are being beaten in Shanghai. Scarcely had "Wizard of Oz" created an all-time record when "Tarzan Finds A Son" came along with a new high. It has been running to packed houses at the Roxy for three weeks and is still going strong. The film will be shown in Hong Kong sometime next month at the Queen's and Alhambra.

PALESTINE ACTION AROUSES ANXIETY IN THE COMMONS

THE HIGH COMMISSIONER for Palestine has issued regulations for certain areas governing the transfer of land.

The rules provide for two zones. In the first, the transfer of land to anyone who is not a Palestine Arab is prohibited generally.

The other zone limits the sales of lands already held by Palestinian Arabs. They will not be allowed to transfer such land to non-Palestinian Arabs without the High Commissioner's permission.

This will be granted only in special circumstances — such as for schemes of irrigation or development which are in the joint interests of both Arabs and Jews.

The regulations were announced in the House of Commons yesterday by Mr. Malcolm MacDonald, Secretary of State for the Colonies, who said that the text of the regulations had been sent to the Council of the League of Nations, together with a memorandum in case any member of the Council wanted to ask for a meeting to discuss the matter.

LABOUR PROTEST

Mr. Clement Attlee, Labour Opposition leader, protested against this way of handling the matter. It disregarded the Council. The Government was flouting the League's authority.

Mr. MacDonald denied that the Government was disregarding the League. The matter could be discussed by the League if the Council felt it was necessary. In view of prevailing conditions, there was a practical objection to setting out the regulations in draft form and suspending all action until the League had considered them.

Mr. L. C. Amery, Cons., said that some Government members had misgivings, while another Conservative member asked why these regulations should be introduced now after six months of peace in Palestine.

He was informed that that peace might be threatened if the regulations did not come into effect. — Reuter.

White Paper Issued

London, To-day. A White Paper on the Palestine question says that land purchases are not to be stopped entirely and the High Commissioner has powers to modify the boundaries of the proposed areas if it is considered necessary.

In an explanatory memorandum accompanying the regulations and sent to the Secretary-General of the League for circulation amongst members, the Government points out that the mandatory is charged with the duty of facilitating immigration and en-

couraging "close settlement by the Jews on the land." The obligation, the memorandum continues, is qualified by the requirement that the administration should ensure the "rights and position of other sections of the population are not prejudiced."

CLEAR WARNINGS

After briefly referring to reports of experts and the findings of Commissions dealing with the problems and all of which recommended the limitation of transfer of land from Arabs to the Jews, the Memorandum continues: "H.M.G. are convinced that it would be dangerous to ignore longer the clear warnings from a series of authoritative and important commissions as to the serious growing congestion of the Arab population in certain areas."

"Looking at the question merely from a practical point of view, if land sales remain unrestricted there is likely to arise a "landless Arab" problem of such dimensions that it would be extremely difficult to find a solution to it."

REPLY TO CRITICISM

Replying in the Commons to criticism of the method adopted, Mr. Malcolm MacDonald said that two courses were open, the first being to publish the draft regulations, suspending them till the League Council had had time to consider them.

This, Mr. MacDonald said, the government would have preferred, but the practical considerations made it undesirable to do so.

The alternative adopted, he contended, in no way ignored the League Council and if any member desired a meeting to discuss the regulations, any view expressed to the Government would be bound to give the most serious attention.

Answering further questions, Mr. MacDonald said the government realised that every party was divided on this matter and that any course adopted would be attended by disadvantages.

The Government decided that the course followed had the least disadvantages and recognised the Government's obligations to the League and other bodies.

DANGER TO PEACE

Sir A. Sinclair asked whether it would not have been better to postpone the issue even for two more months until the Council had opportunity to consider it and Major Cazalet asked whether it was necessary to introduce a measure which "will exacerbate Jewish opinion not only throughout Palestine but the whole world" when for the first time for six years, there is peace in Palestine.

Answering Sir Archibald Sinclair, Mr. Macdonald said the consideration raised by him had been considered by the Government before deciding on the action taken, and replying to Capt. Cazalet he stated: "I know the whole House will recognise the way in which both communities in Palestine have co-operated with the Government and the House will pay tribute to the way the communities have worked together in Palestine, but I would say that it is because failure to introduce measures of control of land transfer in Palestine any longer might prejudice that peace that we decided to follow this procedure." — British Wireless.



The budgeteer soon finds the only thing in his life that can't be stratched is money. — British Wireless.

MOTION OF CENSURE

London, To-day. The opposition Labour Party has decided to put down a motion of censure on the Government's statement yesterday in regard to Palestine. The Liberal opposition intend to support the motion, which is likely to be debated next week. — Reuter.

GRATITUDE TO NAVY

London, To-day. Mr. Churchill's Navy Vote speech on Tuesday was the subject of yesterday's press comment, as was to be expected.

The "Yorkshire Post" says that the speech was vigorous and confident but not for one moment complacent.

The "Daily Telegraph" stresses Mr. Churchill's remarks that he was wrong when he said that Germany was building two U-boats a week. Germany may reach that figure in the future, but she had not done so up to the end of 1939, whereas we are maintaining our figure of destroying two to four a week.

THANKS TO NAVY

The "Yorkshire Post," however, probably best sums up the opinions of the British press when it concludes its leading article by remarking:

"No one can read Mr. Churchill's speech without feeling heart-felt gratitude to our sailors of every rank and grade, and it is certain that we shall have much further cause for gratitude before the year is out." — Reuter.

A.R.P. CLUB

Sir, The A.R.P. Club at King's Park Kowloon, which serves as a recreational and instructional centre open to all members of the A.R.P. Organisation in the Colony, is at present being extended to provide increased accommodation for Lectures and Meetings, and added Club amenities. The cost of the actual extension was borne by Government, but coincident with the extension it became obvious that painting and re-decorating the existing building was necessary, and funds were needed for that purpose and for the provision of games, furniture and equipment, and the installation of more up-to-date sanitary arrangements.

As soon as this need became known, a most generous donation of \$500 each was received from Mr. Lawrence Kadoorie and Mr. J. E. Joseph, and these funds will enable the Committee to proceed forthwith with their work of making the Club a comfortable and useful rendezvous for members.

On behalf of the Committee and Members of the A.R.P. Club I desire to express, through the medium of your columns, our most sincere appreciation of this public spirited action.

Yours faithfully,
A. H. Steele-Perkins.

CONTRABAND CONTROL

London, To-day. On February 27, there were 27 neutral ships in U.K. contraband control bases of which 18 had been there for five days or less.

During the week ended February 24, the Contraband Committee considered the cargoes of 114 ships which had arrived since February 17, and 19 outstanding cargoes from the previous week.

In 57 cases, the entire cargoes were released.

Seventy-seven cases were dealt with under the system of advance copy manifests and in forty-two such cases, the vessels were released subject to formal checking of the original manifests. — British Wireless.

BITTER JEWISH COMMENT

London, To-day. The land sale regulations for Palestine have been received with bitter opposition in a statement by the Jewish agency executive.

Declaring that the regulations, by barring Jews from access to the soil of Palestine, make a mockery of the obligation to encourage close Jewish settlement and discriminates against Jews on racial religious grounds, the statement contends that wherever Jews have settled on the land "neighbouring Arab villages benefitted and prospered, whereas other districts remained backward and undeveloped."

It stigmatises the regulations as "a concession to Arab political claims and not a measure for the protection of Arab cultivators."

Recalling that the Jews ranged themselves unconditionally on the side of Britain and France at the outbreak of war and offered to throw their whole weight on the Allies' side, the statement continues. The British Government has apparently been advised that it is better to repay by letting the Jewish offer lie and through the three features of the White Paper reproduce for the Jews in their National Home the root evil of the dispersion — barred doors, discrimination on grounds of race and religion, a permanent minority status. — British Wireless.

COULD HARDLY RISE FROM HER CHAIR

Thought There Was No Cure For "Rheumatism"

This woman was such a confirmed sufferer from rheumatism that she thought it was incurable. But before she had finished one bottle of Kruschen her rheumatism was leaving her. Here is her letter:

"I had rheumatism so badly that once I got into a chair I found great difficulty in rising again. A friend told me to try Kruschen Salts, but I thought it was a foolish idea, as there seemed to me to be no cure for rheumatism. My friend gave me two doses to try. I took one dose on Monday and another on Tuesday, and by then my pain had moved to another part of my body. Well, that was a good start, so I bought a bottle and it gave me great joy to find my rheumatism disappearing, and now for a long time I have been free." — (Miss) A.R.

Do you realise what causes rheumatism? Nothing but sharp-edged uric acid crystals which form as the result of sluggish eliminating organs. Kruschen Salts can always be counted upon to clear those painful crystals from the system.

PIPPERMINT GET

always delicious with crushed ice or iced water

Get it at
Revel (Montreal) France



Herbert & Bernhard
Ruff From The
Studio.

5.45 p.m.—Studio—Children's Hour.
6.45 p.m.—Closing Local Stock Quotations.
6.47 p.m.—Swing Music.
Annie Laurie; Blue Skies...Maxine Sullivan (Vocal) & Her Orch.
Fox-Trots—Some Sweet Day; Shim-Me-Sha-Wibble....Miff Mole's Molers.
7.00 p.m.—London Relay—“Pictures in the Fire”. Major J. T. Gorman on Military Traditions and Customs. Music by the Welsh Guards.
7.30 p.m.—London Relay—The News.
8.00 p.m.—Local Time Signal, Weather Report and Announcements.
8.03 p.m.—Studio—Two Piano Recital by Herbert & Bernhard Ruff (from the Gloucester Hotel).

Today's Wireless

ZBW 355 M. (845 k.c.'s) and 31.49 M.
9.52 Megacycles

8.23 p.m.—Sidney Torch at the Organ. Torch Tunes of the Times. Intro: I Go For That; Deep Purple; Gotta Get Some “Shut-Eye”; Hold Tight; I Promise You; I Miss You In The Morning. The Merry-Go-Round Broke Down (Friend & Franklin).
8.33 p.m.—Jack Hylton and His Orchestra. Fox-Trots—Lord and Lady Whoosis (film “Gangway”); When You Gotta Sing, You Gotta Sing (film “Gangway”).
Waltz—Love Live For Ever and

“La Tosca” Acts 2 & 3 And
“Vive La France”

the Life of the French Army and People.
9.45 p.m.—Interlude.
Martial Moments (arr. Aubrey Winter)...The Band of H.M. Cold-Stream Guards.
9.50 p.m.—Puccini's “La Tosca” Acts II & III. Singers in order of appearance: Appolo Granforte (Baritone); Giovanni Azziomonti (Bass); Nello Palai (Tenor); Carmen Melis (Soprano); Piero Pauli (Tenor) and Guseppe Bottini (Boy Soprano); with the Orchestra of La Scala, Milan, conducted by Carlo Sabajno.
11.00 p.m.—London Relay—“Back-ground to the News”.
11.15 p.m.—CLOSE DOWN.



(By The Four Aces)

David Bruce Burnstone, Merwin D. Maier, Oswald Jacoby, Howard Schenken...World's leading Team-of-Four, Inventors of the system that has beaten every other system in existence.

TOO GREEDY

Some players are just never satisfied. Against six clubs West had two sure trump tricks and a possible trick in hearts. He felt that he had his opponents “in the bag,” and thus it behooved him to double in order to get the maximum profit on the hand. However, West overlooked one slight detail—namely, that South might suspect that something was wrong and try another contract.

North, Dealer
Both sides vulnerable

♠ K 4
♥ Q J
♦ A K 10 8 2
♣ 8 7 5 3

♠ 10 9 6 N ♠ J 8 7 5 3
♥ K 7 6 4 ♠ 9 8 6 2
♦ 8 3 ♠ 9 7 4
♣ A 10 9 2 ♠ 6

♠ A Q 2
♥ A 10 8
♦ Q J 5
♣ K Q J 4

The bidding:

North	East	South	West
1♦	Pass	3♦	Pass
4♣	Pass	4NT	Pass
5♦	Pass	6♦	Dbl.
Pass	Pass	6NT	Dbl.
Pass	Pass	Pass	

This is exactly what South, a resourceful player, did. He shifted to six notrump and now, in order to save face, West again doubled.

West opened the spade ten. Dummy's King won and a club was played. West won with the Ace and played a second spade. Now Declarer cashed his two top clubs, then his remaining spade, on which he discarded the Queen of hearts from dummy. Next came five diamond tricks, which brought

every one down to two cards. In dummy were the heart Jack and the club, whereas South held the Ace-ten of hearts. West could not let go of his high club, and thus had to blank his King of hearts. Declarer then led the heart from dummy, played the Ace from his hand and dropped West's King.

West's face was certainly red, but there was no one to blame but himself. His greediness had cost a great many points.

* * *

You were Oswald Jacoby's partner yesterday and held:

♠ Q x x x x
♥ x x
♦ K x x
♣ 10 x x

The bidding:
Schenken Jacoby Maier You
Pass 1♦ Pass (?)

ANSWER: Your correct bid is one spade. As we have pointed out before, it is far preferable to show your suit at the range of one.

QUESTION: Both sides are vulnerable. You are Merwin Maier's partner and hold:

♠ K J 8 x x x x
♥ A x x
♦ A x x
♣ x x

The bidding:
Burnstone Maier Schenken You
1NT Pass 2NT (?)
What do you bid? (Answer tomorrow.)

(Released by The Bell Syndicate, Inc.)

EXPEDITION INTO GERMANY

(Continued from Page 5). Schools have had to extend their holidays, as they have no coke with which to heat the classrooms.

Schoolboys made to haul coal

I heard of boys at one school being mobilised to go to the station, load coal into a cart, and drag it through the streets to their school, and then unload it into the school bunkers.

Their mothers were upset when the boys went home. For even the sweat shirts and ski-ing suits they wore for this coal-carter cost precious coupons if they are to be replaced or even patched. And patching and replacing were necessary.

As for washing and cleaning, that means going without butter or margarine. To buy soap, even the poor quality, latherless stuff going under that name in Germany to-day, Germans must give up fat coupons, and fat coupons cover a total allowance of 37 ounces of fat stuffs for each person a month.

This means a total of 37 ounces of butter, margarine, lard, salad oil, bacon and soap. Many hausfrau are trying to do their washing without soap. But this, they find, is wearing out clothes. Many men are wearing dirty shirts.

But the thing that struck me most in my wanderings about Berlin was the tremendous increase in drunkenness.

I looked in at a number of pubs in the poorer quarters, and I was amazed at the number of drunks I saw there. Out in the streets, too, there were people reeling about.

Drunkenness is treason now

I asked my friends about it. They said that people in Germany as a whole were drinking far more hard liquor than they used to, and less wine and beer. This was due chiefly to the raising of the duties on wine and beer.

But perhaps people also got tipsy more easily these days, they suggested, because they drank so often on empty stomachs, particularly the workmen.

Himmler and the S.S. police are already paying attention to this problem. Severe penalties have been announced for workmen whose efficiency suffers from inebriety or hangover.

“Drunks,” says the Himmler newspaper Schwarze Korps, “must no longer be treated with good-humoured tolerance. They are traitors to the cause of the German people and must be treated as such.”

Well, all I can say is that if a hangover is to be punished as high treason, then the headsman of Ploetzensee Prison is going to have plenty of work to do.

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CRICKET AVERAGES

WEBB AND YOUNG ADVANCE

LOCK SECOND IN LIST OF JUNIOR BATSMEN

(By "ADREM")

Chief feature of the League cricket averages published below is the advance of Sgt. Webb, and L/Cpl. Young, both of Army.

Webb has been remarkably consistent and his 88 not out on Saturday against University places him second to D. J. N. Anderson in the batting list.

His scores to date are 14, against Recreio, 59 against K.C.C., 46 against I.R.C. and 88 not out against University.

Young makes his big advance in the bowling by virtue of 6 for 10 against University. His other performances have been 3 for 21 against K.C.C., 3 for 27 against I.R.C.

T. Lock, of Craigengower, advances from comparative obscurity in Junior Division, to second place in the batting list. His score of 50 not out against University on Saturday is responsible for this.

M. R. Abbas, of I.R.C., has met with considerable success in his last two matches and is now sixth in the bowling averages with 18 wickets, while H. Danbrowsky, of Police, has displaced Y. T. Barma, of I.R.C., at the head of the list.

FIRST DIVISION

BATTING

(Qualification—2. inns. Av. of 15 and over)

	N.	H.	I. O. R. S. Avg.
D. J. N. Anderson (K.C.C.)	3	1 160	75* 80.00
Sgt. Webb (Army)	4	1 207	88* 69.00
N. Beltrao (Rec.)	4	3 86	29* 56.00
F. J. Lay (K.C.C.)	2	0 111	84 55.50
A. H. Madar (I.R.C.)	4	2 91	51* 45.50
M. P. Madar (I.R.C.)	3	2 40	23* 40.00
N. Nazarin (I.R.C.)	4	0 149	71 37.25
E. F. Fincher (K.C.C.)	4	1 111	57* 37.00
P. Lim (C.C.C.)	4	1 98	76* 22.66
W. A. Reed (Rec.)	2	1 27	15* 27.00
F. R. Zimmern (C.C.C.)	4	0 100	47 25.00
Sgt. Denyer (Army)	4	0 94	43 23.50
L. G. Gosano (Rec.)	4	0 90	72 22.50
A. R. H. Esmail (C.C.C.)	3	0 66	56 22.00
N. D. Lloyd (K.C.C.)	2	1 21	17* 21.00
Capt. Grose (Army)	3	1 40	26* 20.00
Chim Thian-siew (Univ.)	3	1 39	20* 19.50
Y. T. Arculli (I.R.C.)	5	1 77	25 19.25
G. N. Gosano (Rec.)	4	0 71	27 17.75
M. T. Arculli (I.R.C.)	4	1 61	19* 17.00
E. L. Gosano (Rec.)	4	0 67	47 16.75
A. R. Kitchell (I.R.C.)	5	0 83	25 16.60
E. Zimmern (C.C.C.)	4	0 66	37 16.50
W. H. Colledge (C.S.C.C.)	3	0 45	20 15.00
Major Harvey (Army)	2	0 30	22 15.00
Major Petri (Army)	2	2 47	24* 15.00
E. C. Fincher (K.C.C.)	2	2 34	26* 15.00

BOWLING

(Qualification—two matches; 5 wickets; av. of 15 and under)

	O.	M. R. W. Avg.
L/Cpl. Young (Army)	20	3 58 12 4.83
D. J. N. Anderson (K.C.C.)	14	2 51 10 5.10
P. J. Billimoria (C.C.C.)	19	2 58 11 5.27
H. L. Ozorio (Rec.)	44.2	9 126 15 8.40
A. P. Pereira (Rec.)	7.4	2 37 4 9.25
G. Winch (C.C.C.)	26	5 87 9 9.67
A. R. Minu (I.R.C.)	57.5	12 247 23 10.74
G. Hong Choy (Univ.)	7.3	1 56 5 11.20
Sgt. Denyer (Army)	29	3 132 11 12.00
E. L. Gosano (Rec.)	43	8 147 12 12.25
R. E. Lee (K.C.C.)	39.2	7 148 10 14.80

SECOND DIVISION

BATTING

(Qualification—3 inns. Av. of 15 and over)

	N.	H.	I. O. R. S. Avg.
Major Swyers (Army)	4	2 85	33 42.50
T. Lock (C.C.C.)	4	2 69	50* 34.50
Lt. Fergus (Army)	3	1 68	56 34.00
W. Mulcahy (K.C.C.)	6	1 166	49* 31.20
E. Curtis (K.C.C.)	5	3 62	27* 31.00
Q. M. S. Paterson (Army)	3	0 91	63 30.33
M. R. Abbas (I.R.C.)	4	1 89	46 29.67
C. W. Lam (C.C.C.)	3	1 57	26* 28.50
H. M. Xavier (Rec.)	4	1 85	68* 28.33
C. Pope (P.R.C.)	4	0 110	45 27.50
M. R. Soares (Univ.)	4	1 77	46* 25.67
K. M. Rumjahn (I.R.C.)	4	0 101	54 25.25
G. Ainslie (C.S.C.C.)	4	0 98	86 23.75
F. J. Lay (K.C.C.)	4	0 87	44 21.75
J. L. Stephens (P.R.C.)	4	1 65	44 21.67
G. A. Gutierrez (Rec.)	3	1 40	24* 20.00
J. W. Leonard (C.C.C.)	3	0 60	38 20.00
W. K. Way (O.C.C.)	3	0 58	28 19.33
A. J. Wright (C.S.C.C.)	3	1 38	18 19.00
T. T. Chin (Univ.)	3	0 57	44 19.00
F. A. Curroem (I.R.C.)	5	0 89	32 17.80
J. Lewis (P.R.C.)	4	3 17	9 17.00
G. Stone (C.S.C.C.)	4	0 65	33 16.25
Capt. Lawrence (Army)	5	0 88	29 16.00
R. T. Broadbridge (K.C.C.)	5	0 77	26 15.50
M. I. Razak (I.R.C.)	4	0 60	29 15.00

BATTING

(Qualification—3 inns. Av. of 15 and over)

	N.	H.	I. O. R. S. Avg.
Major Swyers (Army)	4	2 85	33 42.50
T. Lock (C.C.C.)	4	2 69	50* 34.50
Lt. Fergus (Army)	3	1 68	56 34.00
W. Mulcahy (K.C.C.)	6	1 166	49* 31.20
E. Curtis (K.C.C.)	5	3 62	27* 31.00
Q. M. S. Paterson (Army)	3	0 91	63 30.33
M. R. Abbas (I.R.C.)	4	1 89	46 29.67
C. W. Lam (C.C.C.)	3	1 57	26* 28.50
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M. R. Soares (Univ.)	4	1 77	46* 25.67
K. M. Rumjahn (I.R.C.)	4	0 101	54 25.25
G. Ainslie (C.S.C.C.)	4	0 98	86 23.75
F. J. Lay (K.C.C.)	4	0 87	44 21.75
J. L. Stephens (P.R.C.)	4	1 65	44 21.67
G. A. Gutierrez (Rec.)	3	1 40	24* 20.00
J. W. Leonard (C.C.C.)	3	0 60	38 20.00
W. K. Way (O.C.C.)	3	0 58	28 19.33
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J. Lewis (P.R.C.)	4	3 17	9 17.00
G. Stone (C.S.C.C.)	4	0 65	33 16.25
Capt. Lawrence (Army)	5	0 88	29 16.00
R. T. Broadbridge (K.C.C.)	5	0 77	26 15.50
M. I. Razak (I.R.C.)	4	0 60	29 15.00

A.W.F. PEAL'S NEW POST

Lieut. A. W. F. Peal of Middlesex Regiment has taken over the duties of Hon. Secretary of the Area Sports Board vice Capt. Burn.

HOCKEY

INTERPORT TRIAL MATCH

The first interport hockey trial will be held on Sunday on the Club ground at 10.30 a.m. Several reserves have been invited and will be given a trial after the interval. Teams:

Whites:—U. B. Souza (Radio); Datta Ram (Rajputanas), V. C. Bond (Club); Hook (R.A.), W. A. Reed (Club), N. Whitley (C.B.A.); Shah Wali (Rajputanas), Homburg (R.E.), Pritam Nath (Rajputanas), Nerain Singh (Kumaons), Partaub Singh (Kumaons).

Colours:—V. M. Benwell (Y.M.C.A.); R. J. Reed (Nomads), J. Gonsalves (Recreio); T. Alves (Recreio), M. H. Hassan (Radio), Krishna Singh (Kumaons); S. A. Fowler (Club), P. O. Gemmell (Navy), G. H. Fowler (C.B.A.), Gurbachan Singh (Radio), J. Soares (Recreio).

The following are also requested to appear:—Pyara Singh (K.I.T.C.), T. Lockhart, R. Marques, Lt. Buckley, E. Fowler, A. E. P. Guest.

Players are requested to bring coloured and white shirts as changes will be made at the interval.

ROYALS BEAT MIDDLESEX

In their re-arranged First Division soccer fixture played yesterday, Royal Scots beat Middlesex by the only goal scored by Gordon in the first half.

Royals fully deserved their win and played better football than the "Diehards." Both sides, however, missed opportunities through Hossack, for the Royals, and Tait and Coomer for the Middlesex.

R.A.S.C. ADVANCE

Royal Army Service Corps crept closer to the leaders of the Third Division when at Sookunpoo yesterday they beat Engineers in their postponed Third Division game by 4 goals to 1.

Clarke scored all the goals for Service Corps while the Engineers' goal was from a penalty.

CRAIGENGOWER TEAMS

The following will represent Craigengower in League matches on Saturday:

Firars v. Army (Away)—E. Zimmern (Capt.), P. J. Billimoria, A. R. H. Esmail, A. J. Hulse, A. K. Ismail, E. A. Lee, H. P. Lim, W. Hong Sling, G. Souza, G. Winch, F. R. Zimmern, Umpire, G. Ladd, Scorer, H. W. Randall.

Seconds v. I.R.C. (Home)—B. R. Irene (Capt.), N. Broadbridge, A. B. Hamson, A. Hung, C. W. Lam, J. W. Leonard, T. Lock, A. M. Omar, U. M. Omar, W. K. Way, J. L. Youngsaye, Scorer, W. Broadbridge.

SUNDAY GAME

The following will represent Craigengower in a match against the Volunteers at 11 a.m. on Sunday, at Happy Valley.—E. Zimmern (Capt.), P. J. Billimoria, A. R. H. Esmail,

King In Good Form For Navy

Club "A" won a fairly even 14-a-side Rugby match at the Valley yesterday when they beat a Navy "A" side by three tries and a penalty goal (12 points) to a try and a penalty goal (6 points) after leading 6-0 at the interval.

The Club backs ran straight and drew their opposites before passing. Day made two good corkscrew runs but he dropped several passes, from one of which Stockholm crossed over as the result of a good cross-kick by D. Hynes, who was loaned to Navy. Lavalle sprained his wrist before half-time but pluckily resumed. The Club forwards on the whole were sluggish, but Taylor was prominent in the line-

outs and Macrae in the loose.

Paul, first fifteen player, was badly supported by his Naval colleagues, although Hynes played really well at times. After a 30-yard run he was over, only to let the ball slip out of his hands and see Roscoe secure the touch down. Snell was fairly reliable at full-back, all the Club tries coming from unmarked players, but the touch-kicking by both full-backs was poor. King gave a great display, being the best forward on view.

THE SCORING

A good movement by the Club backs resulted in Thomson, who was follow-

ing up, going over but Stout failed to convert. Club went further ahead before the interval when, following a loose scrum 10 yards inside Navy territory, a penalty kick was awarded for offside play against Navy and Macrae landed a goal.

Club commenced the second half in businesslike manner and took the ball well into Navy territory as the result of excellent forward rushes. Richardson at last picked up and after the ball had been handled by Thomson, Stoker, Dunnett and Thomson again, Richardson again secured possession and went over in the corner. Macrae failed to land the goal points. A loose scrum 30 yards from the Club line saw

Taylor penalised but Paul surprisingly failed with his kick. Following by this lapse, Club attacked again and in a forward rush Macrae dived over, but Taylor was unable to improve on the effort.

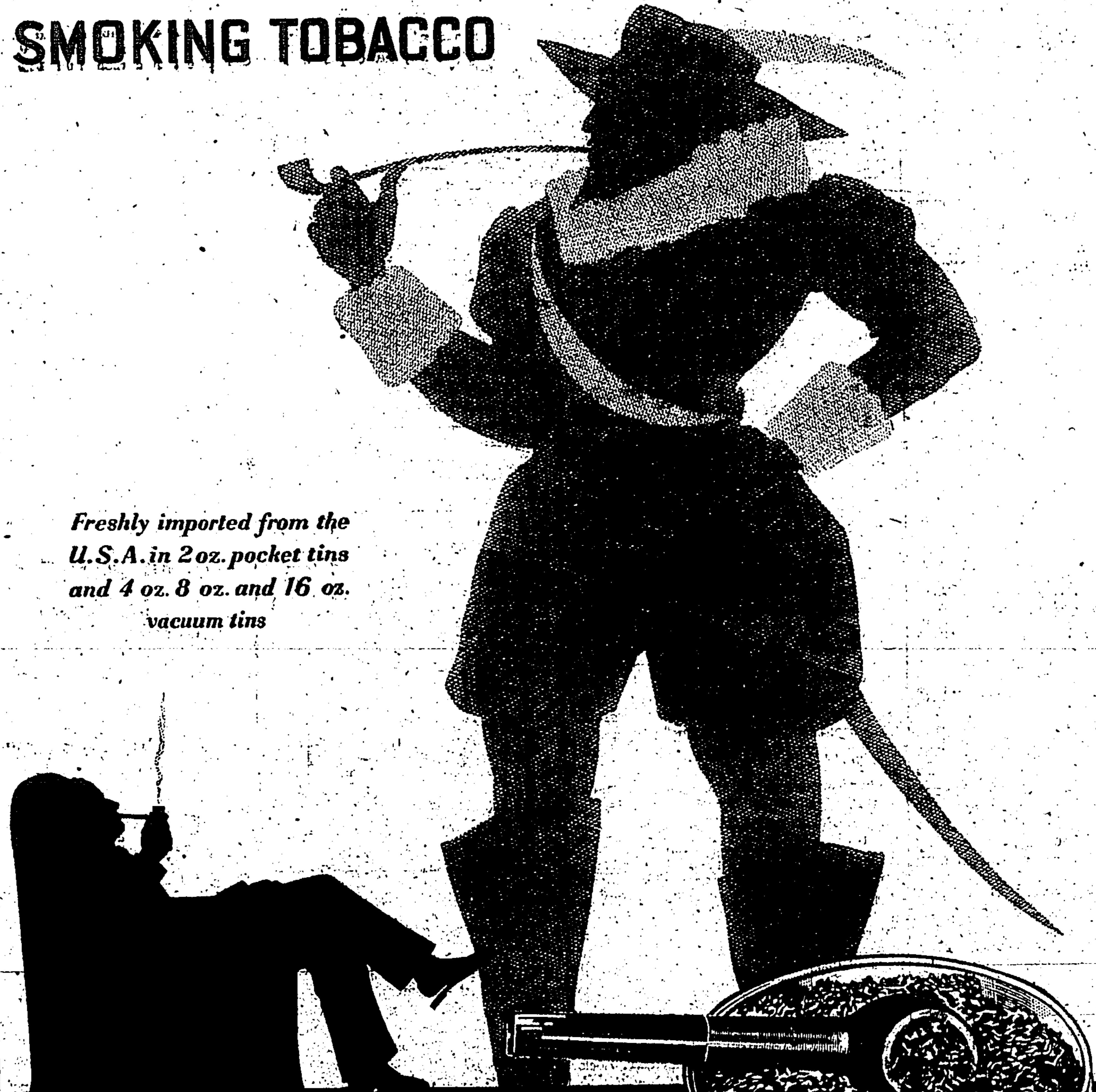
Navy scored when Paul kicked a penalty goal following a scrum infringement, and soon after Stockholm, backing up well, secured possession when Roscoe badly fumbled a good cross-kick by Hynes and scored in the corner. Paul failed with a difficult kick.

Club "A":—Roscoe; Lavalle, Day, Walkden and Richardson; Thomson and Tresidder; Wanklyn, Dunnett, Macrae, Taylor, King, Stoker and Stokoe.

Navy "A":—Snell; D. Hynes, Paul, Reid and Addis; Hammond and Bowden; Palmer, Davis; Inglis, King, Sykes, Bruce and Stockholm.

SIR WALTER RALEIGH

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NEW ADVERTISEMENTS



PUBLIC AUCTION

PARTICULARS AND CONDITIONS

of the Sale by Public Auction, to be held on MONDAY, the 4th day of March, 1940, at 3 p.m., at the Offices of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at La Salle Road, Kowloon Tsai, in the Colony of Hong Kong for a term of 75 years, commencing from 1st July, 1898, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the King, for one further term of 24 years less the last three days thereof.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT

No. of Sale	Registry No.	Locality	Boundary Measurements				Contents in Square feet	Annual Rental	Upset Price
			N.	S.	E.	W.			
1	Kowloon Inland Lot No. 2767	La Salle Road, Kowloon Tsai, adjoining New Kowloon Inland Lot No. 2740.	ft.	ft.	ft.	ft.	About 8,000	\$92	\$4,000

As per sale plan



PUBLIC AUCTION

PARTICULARS AND CONDITIONS

of the Sale by Public Auction to be held on MONDAY, the 4th day of March, 1940, at 3 p.m., at the Offices of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at Island Road, in the Colony of Hong Kong for a term of 75 years, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the King, for one further term of 75 years.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT

No. of Sale	Registry No.	Locality	Boundary Measurements				Contents in Square feet	Annual Rental	Upset Price
			N.	S.	E.	W.			
3	Rural Building Lot No. 434.	Tytam Bay, Island Road.	ft.	ft.	ft.	ft.	About 16,500	\$190	\$4,125

As per Sale Plan



PUBLIC AUCTION

PARTICULARS AND CONDITIONS

of the Sale by Public Auction to be held on MONDAY, the 4th day of March, 1940, at 3 p.m., at the Offices of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at King's Road, in the Colony of Hong Kong for a term of 75 years, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the King, for one further term of 75 years.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT

No. of Sale	Registry No.	Locality	Boundary Measurements				Contents in Square feet	Annual Rental	Upset Price
			N.	S.	E.	W.			
2	Inland Lot No. 5746.	King's Road, South West of Inland Lot No. 2758.	ft.	ft.	ft.	ft.	About 3,500	\$64	\$250

As per sale plan

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R. A. CAMIDGE,
Manager.

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Authorized Capital \$50,000,000
Issued and Fully Paid-up \$20,000,000
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Sterling £6,500,000
Hong Kong Currency Reserve \$10,000,000
Reserve Liability of Proprietors \$20,000,000.

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Hong Kong, 28th February, 1940.

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FOR THE HONG KONG AND SHANGHAI BANKING CORPORATION.

V. M. GRAYBURN,
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Hong Kong, 1st March, 1937.

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LIGHTNING STRIKE OF SHANGHAI BUS CO. WORKERS

(Special To "China Mail" From Our Own Correspondent)

Shanghai, To-day.
WITH 2,000 CHINA GENERAL Omnibus Company workers going out on lightning strike this morning, Shanghai's transportation facilities are severely disrupted, causing acute inconvenience in the snowy sleety weather which is prevailing. Strong police contingents are protecting the Connaught Road depots with a view to preventing serious trouble.

The management this morning told me the reason for the strike is the dissatisfaction of the workers with the reply received to their demands for an increased rice allowance.

PRINCE APPEALS FOR FINLAND

Stockholm, To-day.

Prince Eugene has issued a stirring appeal to Swedish men of military age to volunteer for service in Finland.

The support given to Finland already, he said, was magnificent but it was not enough.

Sweden's first line of defence was in Finland at the present moment and more volunteers were urgently necessary to stiffen the resistance.—Reuter.

Negotiations are under way for a settlement but it is unlikely that work will be resumed to-day, thus leading to overcrowding of the trams and creating a disruption of transportation facilities of the first order. Rickshaws are at a premium and the extremely bad weather is making things worse.

POLITICAL BACKGROUND?

In certain quarters the opinion is held there is a political background to the strike, since circles close to Wang Ching-wei have tried to create dissatisfaction among public utility workers throughout the city in recent months.

It is pointed out that the bus workers are well paid and have no reason to strike.—Our Own Correspondent.

ITALIAN EXHIBITION

(SPECIAL TO "CHINA MAIL")

Naples, To-day. Count Ciano, Italy's Foreign Minister, has paid an official visit to the Italian National Overseas Exhibition which will be opened to the public shortly.—Havas.

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GERMAN LOSSES IN SEA COMBAT

London, To-day.
Up to February 25, the Germans lost by capture or scuttling 53 merchant ships. This represents six per cent. of the total German mercantile tonnage.

During the same period Britain lost 159 merchant vessels by enemy action, representing 1.6% of ocean-going tonnage.

Actual figures on which these calculations are based are from the return of the world's merchant shipping dated June, 1938, which is the latest obtainable, wherein it states that there are 2328 German vessels of over 100 tons which totalled 4,243,835 tons.

Britain had 7203 ocean going ships totalling 17,780,859 tons and the Dominions 2476 ships totalling 3,166,961 tons.

If gains by capture and new ships now available are included, the British proportion is even better than these figures show.

Convoy losses remain very small. During the week ended Feb. 24, 225 neutral ships were convoyed by the Navy without loss, while the total of ships guarded reached 1107 and sustained a loss equalling only one-fifth of one per cent.—British Wireless.

GERMANS OFFER SWAP

(SPECIAL TO "CHINA MAIL")

Amsterdam, To-day.
A proposal to exchange German Diesel-engined oil burning tugboats against Dutch coal burning vessels has been made from the Reich to several Dutch shipping concerns.

The offer has been favourably received here as Diesel-engined boats are much cheaper to operate.

The proposal was apparently made because German firms expect further restrictions on the use of oil for civilian purposes in Germany.—Havas.

Helsinki, To-day.
It is claimed that the Russians have lost 1,288 tanks up to February 26. The artillery fire now raging in front of Viborg is the heaviest since the outbreak of war.—Reuter.

Moscow, To-day.

It is claimed in a communiqué that the Soviet troops are continuing the development of the offensive in the Karelian Isthmus. The enemy attempted counter-attacks but suffered heavy losses and continued to retreat. Soviet troops have captured the enemy defensive fortifications on the north bank of the Salmenkaita River and occupied Ritsaari on the west bank of Lake Vuoksi. The communiqué details a number of villages of which the capture is claimed and adds that on other sectors of the front no important changes have occurred.—Reuter.

Early this morning, H.M.S. Kanimbla arrived off Yokohama having on board nine German nationals taken from the "Asama Maru."

These men were handed over to two officials from the Japanese Foreign Office in the presence of Captain D.N.C. Tuineill, D.S.C., the British Naval Attaché, Tokyo.

As soon as the formalities in connection with the handing over of the Germans was completed H.M.S. Kanimbla sailed.

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